Solicitor General and Public Security

Annual Report 2007-2008

Alberta

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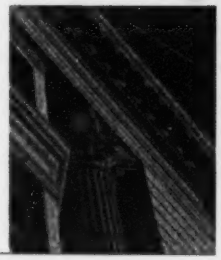


Public Accounts 2007-2008 Preface

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 20 ministries.

The annual report of the Government of Alberta released June 24, 2008 contains ministers' accountability statements, the consolidated financial statements of the province and the *Measuring Up* report, which compares actual performance results to desired results set out in the government's business plan.

This annual report of the Ministry of Solicitor General and Public Security contains the minister's accountability statement, the audited consolidated financial statements of the ministry and a comparison of actual performance results to desired results set out in the ministry business plan. This ministry annual report also includes:

- **the financial statements of entities making up the ministry including the Department of Solicitor General and Public Security, the Victims of Crime Fund, as well as the Alberta Lottery Fund and the Alberta Gaming and Liquor Commission; and**
- **other financial information as required by the *Financial Administration Act* and *Government Accountability Act*, either as separate reports or as a part of the financial statements, to the extent that the ministry has anything to report.**

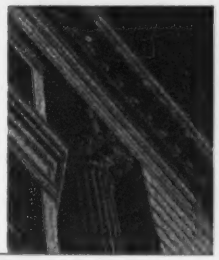
On March 12, 2008, the government announced new ministry structures. Since the 2007-08 fiscal year was substantially completed prior to this announcement, ministry annual reports and financial statements have been prepared as if the restructuring took place on April 1, 2008, to provide proper accountability for the 2007-08 fiscal year against the original business plan. The Ministry of Solicitor General and Public Security was not impacted by this government reorganization.

Minister's Accountability Statement

The ministry's annual report for the year ended March 31, 2008, was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at September 12, 2008 with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

Original signed by

Fred Lindsay
Solicitor General and Minister of Public Security



Message from the Minister

I am proud of my ministry's staff and their many accomplishments in 2007-08 as we moved forward on the premier's mandate to provide safe and secure communities.

Our thriving economy continues to attract people and families from across Canada looking for a better future. Unfortunately, it also attracts criminals looking to expand their illegal and often dangerous activities.

This past year, Solicitor General and Public Security launched or began work on a number of major initiatives to help make Alberta communities safer and more secure.

In November 2007, the Government of Alberta accepted all of the recommendations of the *Crime Reduction and Safe Communities Task Force Report.* Working with eight other government departments, we have started implementing the comprehensive recommendations that deal with tougher enforcement, focused prevention, and expanded treatment options.

Another of our major initiatives was the *Blueprint for the Future of Corrections.* The blueprint plans for and responds to the changing environment of modern corrections and reflects best practice in the delivery of correctional services. This innovative strategy will significantly change how we manage offenders in our custody. It will also enhance offender supervision once they've been released back into the community and provide increased support and direction for offenders who want to become contributing members of society.

We also expanded the role of Alberta Sheriffs to support government's priority of safer communities.

The Fugitive Apprehension Sheriffs Support Team (FASST) was created to find and apprehend criminals with outstanding warrants. The Sheriffs Investigative Support Unit (SISU) was launched to provide surveillance services to law enforcement and government agencies, and the Sheriff Highway Patrol doubled to 84 members to enhance safety on Alberta's highways by targeting aggressive drivers and speeders.

To ensure objectivity, accountability, and public trust regarding allegations of serious police misconduct, we created the Alberta Serious Incident Response Team (ASIRT). This independent investigative team can be called upon to investigate matters where the actions of a police officer have resulted in serious injury or death, or other serious or sensitive matters involving police.

In the fall of 2007, we organized and hosted a very successful international crime prevention conference where more than 500 delegates came together to share innovative ideas and discuss effective solutions.

The ministry also delivered on its commitment to support victims of crime. We made information about victim services in Alberta available in 11 languages. We also introduced the *Victims of Crime Protocol*, a unique step-by-step guide to help victims of crime through the criminal justice system – a first of its kind in Canada.

Also part of my responsibility is the Alberta Gaming and Liquor Commission (AGLC). It ensures the province's gaming and liquor industries operate effectively, with integrity, and in a socially responsible manner.

To help Albertans make informed decisions about their gambling activity and provide avenues for those who need to seek treatment, we launched the inaugural *Responsible Gambling Awareness Week* and added more *Responsible Gambling Information Centres* in casinos.

In an effort to prevent violence in and around nightclubs and bars, the AGLC introduced a training program called *ProTect* that teaches security staff in licensed venues how to deal with trouble before it escalates. The AGLC also launched an anti-violence campaign aimed at young men called *Cage Your Rage.*

Albertans benefited from provincial gaming revenue through grants from the Alberta Lottery Fund. In 2007-08, over $1.6 billion was used to support thousands of public and community initiatives including libraries, athletic events, arts and cultural festivities and historical resources.

These are just a few highlights of our achievements over the past year. I encourage you to read the report for further details.

Original signed by

Fred Lindsay
Solicitor General and Minister of Public Security

Management's Responsibility for Reporting

The Ministry of Solicitor General and Public Security includes: Department of Solicitor General and Public Security, Victims of Crime Fund, the Alberta Lottery Fund and the Alberta Gaming and Liquor Commission.

The executives of the individual entities within the ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and business plans, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the consolidated financial statements and performance results for the ministry rests with the Minister of Solicitor General and Public Security. Under the direction of the minister, I oversee the preparation of the ministry's annual report, including consolidated financial statements and performance results. The consolidated financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The consolidated financial statements are prepared in accordance with the government's stated accounting policies.

As Deputy Solicitor General and Deputy Minister of Public Security, in addition to program responsibilities, I establish and maintain the ministry's financial administration and reporting functions. The ministry maintains systems of financial management and internal control which give consideration to costs, benefits, and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the province under ministry administration;
- provide Executive Council, Treasury Board, the Minister of Finance and the Solicitor General and Minister of Public Security any information needed to fulfill their responsibilities; and
- facilitate preparation of ministry business plans and annual reports required under the *Government Accountability Act.*

In fulfilling my responsibilities for the ministry, I have relied, as necessary, on the executive of the individual entities within the ministry.

Original signed by

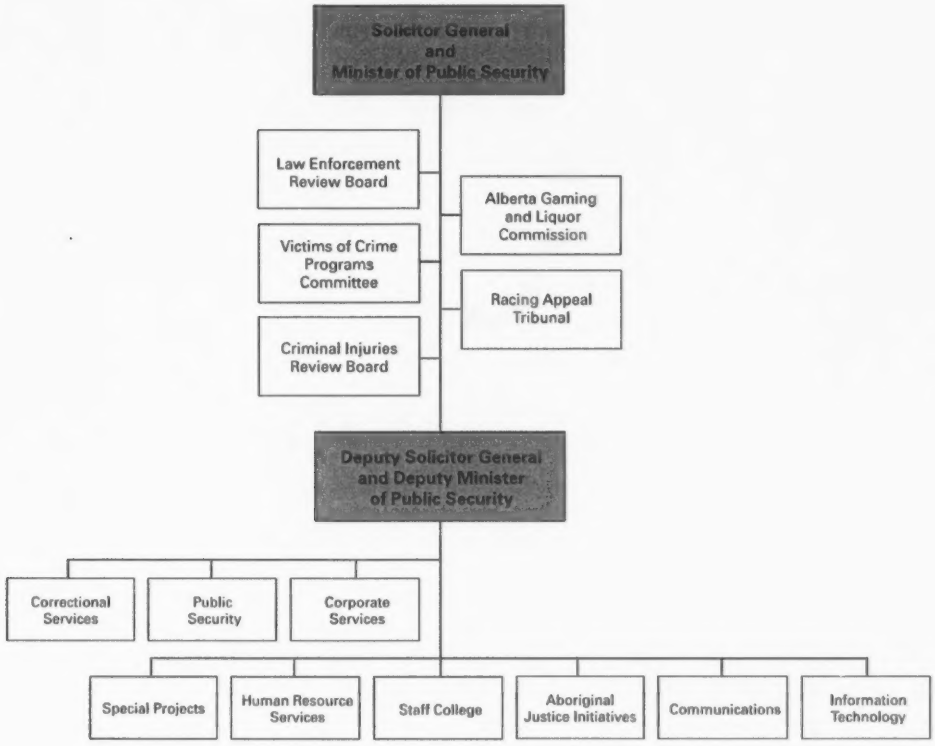
Brad Pickering
Deputy Solicitor General
and Deputy Minister of Public Security

September 12, 2008

Overview

Organizational Structure

Figure 1
Ministry of Solicitor General and Public Security Organizational Structure



Divisions & Branches

OPERATIONAL DIVISIONS

Correctional Services

Administration of the *Corrections Act, Correctional Institution Regulation, Designated Correctional Institutions Order, Fine Option Order, Youth Justice Act* and *Youth Justice Designation Regulation,* and the federal *Prisons and Reformatories Act* and *Youth Criminal Justice Act,* including pre-trial supervision, community and custody sentences, alternative sanctions, and rehabilitation programs.

B. Anderson, Assistant Deputy Minister
Phone: 780.427.3440
Fax: 780.427.5905
Email: bruce.v.anderson@gov.ab.ca

Public Security

Administration of the *Police Act, Private Investigators and Security Guards Act, Peace Officer Act,* and *Victims of Crime Act,* including oversight and governance of police, integrated policing initiatives, provincial policing standards, municipal policing grants, crime prevention and restorative justice initiatives, and victims' programs. The division provides court and prisoner security, traffic safety enforcement, warrant apprehension, surveillance support and manages counter-terrorism security information.

B. Skeet, Assistant Deputy Minister
Phone: 780.427.3457
Fax: 780.427.1194
E-mail: brian.skeet@gov.ab.ca

SUPPORTING AND CO-ORDINATING DIVISIONS AND BRANCHES

Corporate Services

Provides strategic leadership, advice and support in the areas of financial services, business services, planning and reporting, policy and legislation, FOIPP and records management. The division also oversees the administration of the Law Enforcement Review Board and Criminal Injuries Review Board.

J. Bauer, Assistant Deputy Minister
Phone: 780.422.1033
Fax: 780.427.2789
E-mail: jim.bauer@gov.ab.ca

Information Technology

Information and communication technologies and automated business applications. Cross-agency solutions that support interoperability between public safety service providers.

D. Mottershead, Chief Information Officer
Phone: 780.422.5499
Fax: 780.415.2887
E-mail: don.mottershead@gov.ab.ca

Human Resources Services

Employee/labour relations, staffing, compensation, organizational design, job evaluation, training and development, Occupational Health and Safety, and health and wellness initiatives.

B. Fulgham, Executive Director
Phone: 780.427.7602
Fax: 780.644.1395
E-mail: brigitte.fulgham@gov.ab.ca

Staff College

Consulting services, needs assessment, and training program design and delivery.

P. Nicholson, Director
Phone: 780.422.9396
Fax: 780.422.2854
E-mail: peter.nicholson@gov.ab.ca

Aboriginal Justice Initiatives

Corporate advice and support to all divisions and branches on aboriginal issues, and liaison with First Nations, Métis and other stakeholders to promote aboriginal justice initiatives.

B. Shoush, Director
Phone: 780.422.2779
Fax: 780.427.4670
E-mail: bronwyn.shoush@gov.ab.ca

Communications

Strategic communications, issues management, and media relations.

A. Weiler, Director
Phone: 780.427.6153
Fax: 780.427.0771
E-mail: andy.weiler@gov.ab.ca

Special Projects

Special projects including the implementation of the *Private Investigator and Security Guards Act*, the *Peace Officer Act*, the police and peace officer training centre, radio interoperability, international conferences, and the integrated crime reduction strategy.

B. Meade, Executive Director
Phone: 780.427.3148
Fax: 780.427.1903
E-mail: bill.meade@gov.ab.ca

Agencies, Boards and Commissions

The following agencies, boards and commissions are part of the Ministry of Solicitor General and Public Security:

Alberta Gaming and Liquor Commission

The Alberta Gaming and Liquor Commission (AGLC) is a commercial enterprise within the Government of Alberta, consisting of a board and an administrative arm. The board is responsible for policy and regulatory matters, while the administrative arm manages the ongoing operations and delegated regulatory responsibilities. The AGLC's mission is to ensure that gaming and liquor activities are conducted with integrity and social responsibility and to maximize long-term economic benefits for Albertans.

The AGLC administers the Alberta Lottery Fund under the provisions of the *Gaming and Liquor Act*. The AGLC publishes a separate annual report including an overview of its activities, performance measure results and audited financial statements. Copies are available online at www.aglc.gov.ab.ca.

G. McLennan, Chief Executive Officer
Phone: 780.447.8821
Fax: 780.447.8950
E-mail: gerry.mclennan@aglc.gov.ab.ca

Criminal Injuries Review Board

This board hears requests for reviews concerning the financial benefits paid to victims of crime under the *Victims of Crime Act*. It may request persons with specialized knowledge to assist with a review and has the power to confirm or vary decisions made by the director.

Dr. P.B.R. Allen, B.Sc, M.D., Chair
Phone: 780.427.7330
Fax: 780.427.7347

Law Enforcement Review Board

An independent, quasi-judicial body established under the *Police Act*, this board hears appeals from citizens who have filed a complaint regarding the actions of a police officer and who are not satisfied with the disposition of their complaint. Police officers who have been the subject of discipline arising out of a complaint may also appeal to the board. Also conducts hearings on appeals from private investigators or security guards who have had their licenses refused and from special constables regarding the cancellation of their appointments.

John E. Phillips, Chair
Phone: 780.422.9376
Fax: 780.422.4782

Racing Appeal Tribunal

The Racing Appeal Tribunal is established under the *Horse Racing Alberta Act* and consists of members appointed by the minister. The Tribunal hears appeals under the Act arising from rulings or directions of horse racing officials. The Tribunal's costs are borne by Horse Racing Alberta. More information on the Racing Appeal Tribunal can be found in the Horse Racing Alberta Annual Report.

Horse Racing Alberta
Phone: 780.415.5432
E-mail: reception@thehorses.com
Toll free: 1.888.553.7223

Victims of Crime Programs Committee

This committee is appointed by the minister to make recommendations on grant applications, and to provide information with respect to programs and services that assist victims of crime.

Tom Blair, Chair
Phone: 780.427.3460
Fax: 780.422.4213

2007-2008 Operational Overview

In 2007-08, Alberta Solicitor General and Public Security delivered its mandate through five core businesses:

1. Law Enforcement and Crime Prevention
2. Custody, Supervision and Facilitation of Rehabilitative Opportunities for Offenders
3. Protection Services for Officials, Facilities and Infrastructure
4. Victims Programs and Services
5. Alberta's Liquor and Gaming Industries Operate with Integrity and in a Socially Responsible Manner

CORE BUSINESS ONE: LAW ENFORCEMENT AND CRIME PREVENTION

The ministry provides oversight for policing and law enforcement throughout the province; provides a provincial police service through the Royal Canadian Mounted Police (RCMP); assists municipalities with their policing costs through Municipal Policing Assistance Grants; and develops, supports and operates programs that target critical criminal activity pressures. The ministry also works with communities, other provincial departments and governments to foster local effective crime prevention and community safety programs.

Challenges

The changing landscape of criminal activity and the dramatic population growth in Alberta has contributed to an increase in the total number of criminal incidents and the incidence of certain types of crime, such as: production and sale of drugs, gangs, Internet crime, identity theft and domestic violence. The ministry has responded to these challenges with a number of innovative approaches.

Accomplishments

In 2007-08 the ministry addressed public expectations for greater enforcement accountability by enhancing civilian governance and oversight mechanisms. New positions dedicated to civilian oversight were created to develop standards, model policies and assist the Director of Law Enforcement in monitoring the police handling of complaints.

The Alberta Serious Incident Response Team (ASIRT), a provincial investigative body, became operational in early 2008. Led by a civilian director, this team may be called upon to investigate serious and sensitive matters involving police where the actions of an officer have resulted in serious injury or death. Finally, enhancements were made to the Law Enforcement Review Board (LERB) by improving governance processes and adding additional members to the LERB to address file backlogs.

Through its participation on the **Crime Reduction and Safe Communities Task Force**, the ministry was able to launch a number of innovative programs in 2007-08 including the work required to operationalize the *Safer Communities and Neighbourhood Act*. The task force involved 13 ministries and extensive consultation with Albertans. As a result of the consultation, the task force presented 31 recommendations to government. The ministry will be leading or partnering in the implementation of 17 of these recommendations related to enforcement, prevention and treatment/intervention over the next few years.

The ministry used a number of partnerships to address a wide range of social issues in the province. Family violence (spousal and bullying), child exploitation, disproportionate representation of Aboriginal people in the justice system (both as victims and offenders), community awareness of victims programs and services and violence in and around licensed premises are examples of the societal issues that the ministry addressed.

In 2007-08, the ministry developed and tabled a business case for government to invest in technology for the integration and interoperability of law enforcement agencies to improve communication. Improved communication tools are needed for law enforcement agencies and to better facilitate intelligence activities targeting criminal activity. The vision for the provincewide radio communication system is to connect various law enforcement agencies (provincial, federal and municipal), government departments and first responders in order to exchange timely, accurate and relevant information.

Opportunities

The ministry is establishing a Safer Communities and Neighbourhoods investigative unit to target organized crime, as part of the implementation of the *Safer Communities and Neighbourhoods Act*. In preparation for the projected implementation date of October 1, 2008, a number of stakeholder and public education sessions are planned during 2008-09.

To maximize effectiveness and efficiency of policing services throughout the province, the ministry is developing a law enforcement framework that will address the dimensions of service delivery, governance and funding together to ensure effective coordination of federal, provincial and municipal enforcement and public security agencies such as police, sheriffs, community peace officers, and private security providers.

CORE BUSINESS TWO: CUSTODY, SUPERVISION AND FACILITATION OF REHABILITATIVE OPPORTUNITIES FOR OFFENDERS

The ministry provides trained staff and appropriate custody and community facilities to ensure that offenders are securely held in custody, safely transported, and appropriately supervised in the community. The ministry also ensures that offenders have access to rehabilitative services and supports to promote positive and productive behaviour.

Challenges

The ministry continues to respond to the ever-changing characteristics of the offender population. There are more gang-affiliated offenders and an increase in offenders with physical challenges and mental health illnesses.

Accomplishments

To assist in the management of the offender population, the correctional management information system and the Alberta correction management system were both scheduled for redevelopment. These two systems are a part of the broader information technology initiative for enhanced integration.

The ministry continued to implement innovative solutions in managing the offender populations in remand and correctional centres by expanding the electronic monitoring program to Calgary and selecting low-risk offenders for the Temporary Absence program. In addition, the operational protocol with Correctional Service of Canada (CSC) to house selected provincially sentenced offenders at federal facilities was expanded.

To keep up with escalating capital construction costs, an additional $312 million was approved in October 2007 for the construction of the new remand centre – bringing the total cost to $620 million. An architect and a construction manager were selected and the site location in northeast Edmonton was announced in March 2008. A one-day open house explained the project to the public and media personnel.

Another major initiative in 2007-08 was the **Blueprint for the Future of Corrections**. The ministry accepted all 19 recommendations and an implementation plan was developed. The objectives of the blueprint included enabling better planning to address the changing corrections landscape, using best practices for effective delivery of correctional services and programs, developing evidence-based practices and needs assessment tools, enhanced staff training and building recruitment and retention strategies to meet future demands for correctional services and program staff members.

In 2007-08, the ministry worked with Regional Health Authorities, Alberta Alcohol and Drug Abuse Commission (AADAC) and the Alberta Mental Health Board on the development of an integrated and collaborative approach to providing continuity of care to individuals in correctional centres and in the community. Enabling access to specialized knowledge and expertise in the management and delivery of physical, mental and addictions services will protect the health and safety of both the offenders and the public at large.

Opportunities

As part of the blueprint, the ministry is reviewing and enhancing the offender risk and needs assessment tools. Researching leading practices for offender behaviour management and ensuring that inmate programming, discipline and management are consistent with best practice are priorities for the ministry going forward.

The ministry will continue to work collaboratively with the Alberta Health Authority and AADAC to transfer the delivery of health services for individuals in correctional centres and in the community through Alberta Health and Wellness.

CORE BUSINESS THREE: PROTECTION SERVICES FOR OFFICIALS, FACILITIES AND INFRASTRUCTURE

The ministry provides security for government officials, property and operations, including court and legislative security. It is also responsible for management of counter-terrorism security information and crisis management, in co-ordination with government and industry partners and stakeholders.

Challenges

As the global nature of terrorism evolves, the ministry continued to work closely with all law enforcement, government and private industry partners on security and emergency preparedness in order to prevent terrorist activities.

Accomplishments

The province's comprehensive provincial court security plan was implemented and has enhanced perimeter security using scanners and x-ray machines. Enhanced security was also implemented for the legislature and government grounds in Edmonton and Calgary.

Enhanced security measures were also included in the new Calgary Courts Centre that opened in January 2008. During the first four months of operation, Alberta Sheriffs prevented more than 3,000 items from entering the facility.

The ministry continued to work with a diverse set of stakeholders including private industry, governments, first responders, law enforcement and intelligence agencies to tackle the challenge of provincial safety and security. The Alberta Security and Strategic Intelligence Support Team (ASSIST) was established in March 2007 to prevent and mitigate intentional human-induced threats and acts.

Opportunities

Protection and security of elected officials, property and operations will continue to be of importance for the ministry through 2008-09. Providing a safe and secure environment at all Alberta courthouses will also continue with the implementation of the newly-launched comprehensive court security plan.

CORE BUSINESS FOUR: VICTIMS PROGRAMS AND SERVICES

The ministry ensures that eligible victims of crime receive prompt financial benefits and provides grants and other support for police-based and community-based services that address the needs of victims of crime. Results for Core Business Four also address the recommendations contained in the 2002 *MLA Report of the Alberta Victims of Crime Consultation* for a more meaningful role for victims in the criminal justice process.

Challenges

With the increasing demand for victims' services as well as a need to improve awareness of available programs in some parts of the province, the ministry worked on a number of strategies and initiatives.

Accomplishments

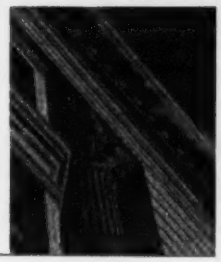
The ministry continued to implement the recommendations from the 2002 *MLA Report of the Alberta Victims of Crime Consultation.* As of March 2008, 25 of the recommendations had been successfully implemented; completion of these recommendations has increased the responsiveness of the criminal justice system to victims of crime and ensures that victims have access to information and services. The Victims of Crime Protocol was released in April 2007. The booklet is a step-by-step guide to help victims through the criminal justice system and is the first of its kind in Canada.

In 2007-08 accountability was enhanced through the clarification of roles and responsibilities for partner organizations providing services to victims of crime with the signing of a memorandum of understanding (MOU) between the province and the RCMP.

The ministry expanded the delivery of victim services in Aboriginal and isolated communities, and in other under-served populations. In partnership with communities and the RCMP, new victim service units were established at the Siksika First Nation and Hobbema. The ministry continued to support the delivery of victims' services in other Aboriginal communities throughout the province and as of March 2008, all Albertans now have access to a police-based victim service unit.

Opportunities

The ministry will continue to work with community partners to enhance community capacity to respond to victims of crime, and develop new programs and services to meet the needs of victims.



CORE BUSINESS FIVE: ALBERTA'S LIQUOR AND GAMING INDUSTRIES OPERATE WITH INTEGRITY AND IN A SOCIALLY RESPONSIBLE MANNER

The cornerstone of Alberta's approach to its gaming and liquor industries is that all activities are conducted in a socially responsible manner. The ministry will continue to identify opportunities to work with stakeholders to develop and implement appropriate policies and innovative programs to promote integrity and the responsible use of gaming and liquor products.

Challenges

The most significant challenges related to the gaming and liquor industries are:

- ensuring the ongoing integrity of gaming and liquor activities;
- achieving a balance between consumer choice and the responsible provision of alcohol and gaming entertainment; and
- managing the ongoing evolution of the gaming and liquor industries.

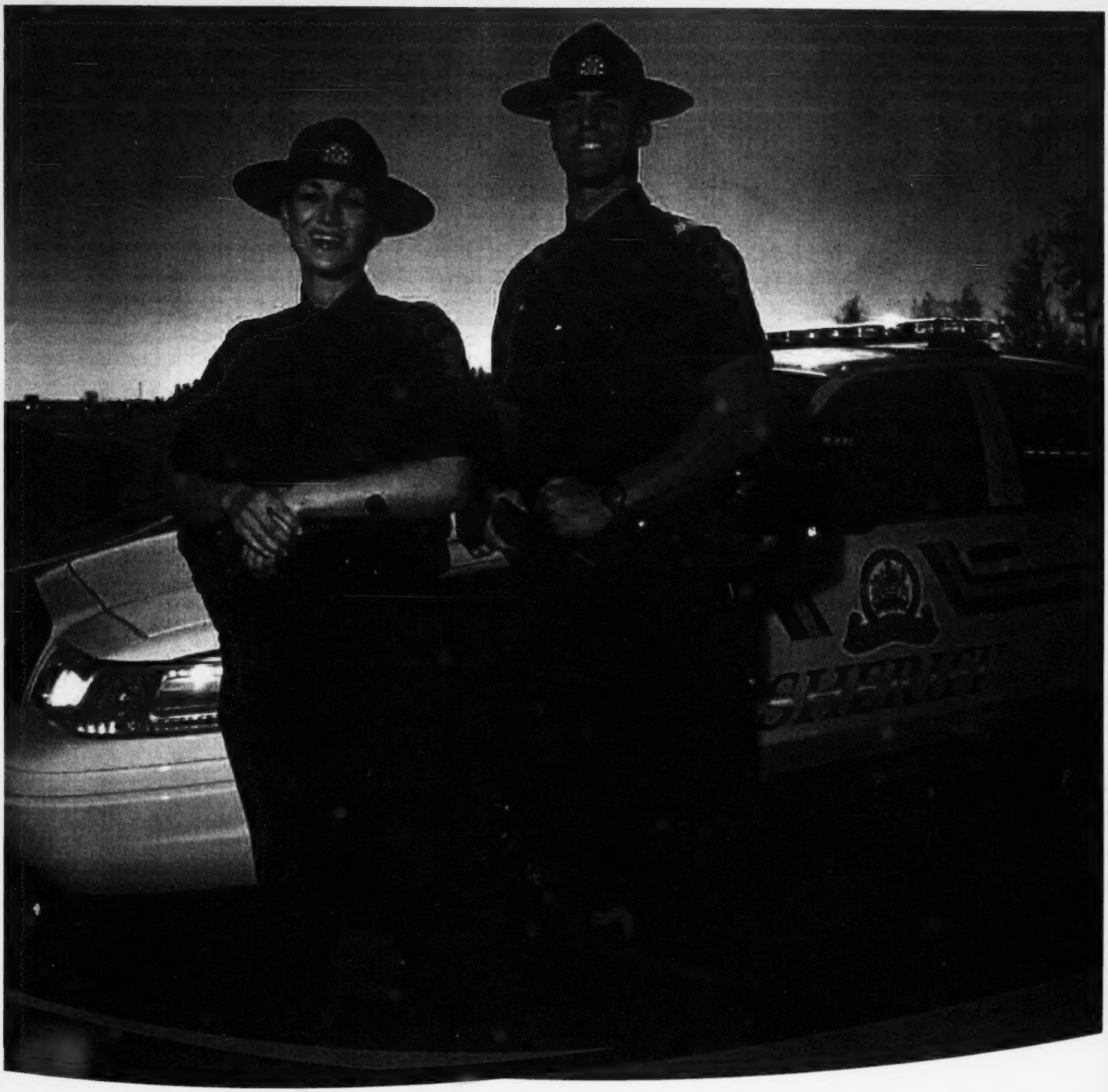
Accomplishments

To accommodate demand, several new casinos, including First Nations casinos, opened in Alberta in 2007-08. The number of liquor products available in the Alberta market continued to increase and the flow of product through the liquor supply chain proceeded smoothly. Albertans have indicated growth in both the liquor and gaming industries is acceptable, as long as such growth is carefully managed and controlled.

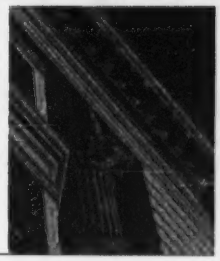
The integrity of both the liquor and gaming industries is ensured through regular inspections, investigations, and audits conducted by the AGLC. Regulation of the liquor and gaming industries includes a strong focus on social responsibility. The Social Responsibility division of the AGLC, created in 2005-06, develops and delivers programs to promote responsible gaming and liquor consumption.

Opportunities

The AGLC will continue to work with stakeholders and Albertans to develop appropriate policies and innovative programs to ensure integrity and accountability and to promote the responsible use of gaming and liquor products.



Results Analysis



Message from the Deputy Minister

Alberta's strong economy continues to drive significant growth in the province. As a result, we have seen greater demands on law enforcement, corrections and victims' services.

Our 2007-08 annual report reflects initiatives by Solicitor General and Public Security to meet those demands and make Alberta communities safer.

The department continued to efficiently operate correctional facilities, support victims of crime, and move forward on our vision of integrated, coordinated law enforcement partnerships throughout the province.

In the fall of 2007, we began construction on a new $620 million remand centre in Edmonton. Once completed, this 2000-bed facility will help ease population pressures in all eight of our adult correctional facilities in Alberta. We also added more frontline corrections staff and expanded electronic monitoring of low-risk offenders to help us better respond to the challenges of managing our growing inmate population.

The *Safer Communities and Neighbourhoods Act* was passed in December of 2007. The bill allows for the establishment of a new sheriffs investigative unit to target illegal activities in our communities such as drug dens and gang and prostitution houses. This unit will support safer communities by targeting these properties that are breeding grounds for crime and social disorder that can devastate neighbourhoods.

To better coordinate law enforcement through integrated information technology, work continued on a province-wide radio communication system for emergency responders and public safety agencies and on a shared database for all police services and joint forces teams in Alberta.

We signed a memorandum of understanding with the RCMP to ensure consistent, provincewide support to victims of crime. We also continued to support and work in partnership with community and police-based organizations to provide services to victims of crime including increased funding for financial benefits paid to victims.

Building on momentum gained from previous years, we continued to expand court security, promote crime prevention and restorative justice initiatives, and support Youth Justice Committees in communities throughout Alberta.

Once again, we honoured those fallen police and peace officers who gave their lives to protect Albertans throughout the province's history in the ninth annual police and peace officer memorial service. This important service is held on the legislature grounds each year on the last Sunday of September.

2007-08 also saw our department's strong working relationship with the Alberta Gaming and Liquor Commission continue. Through the AGLC, we will continue to ensure the gaming and liquor industries operate with integrity and social responsibility.

Solicitor General and Public Security staff show exceptional professionalism and dedication to this ministry's goals and to ensuring Albertans live in safe communities. The accomplishments in this report highlight that commitment, and I thank them for their excellent work.

Original signed by

Brad Pickering
Deputy Solicitor General and
Deputy Minister of Public Security

Auditor General's Report

REPORT OF THE AUDITOR GENERAL ON THE RESULTS OF APPLYING SPECIFIED AUDITING PROCEDURES TO PERFORMANCE MEASURES

AUDITOR GENERAL *Alberta*

To the Members of the Legislative Assembly

Management is responsible for the integrity and objectivity of the performance results included in the *Ministry of Solicitor General and Public Security's 2007-2008 Annual Report.* My responsibility is to carry out the following specified auditing procedures on performance measures in the annual report. I verified:

Completeness

1. Performance measures and targets matched those included in Budget 2007. Actual results are presented for all performance measures.

Reliability

2. Information in reports from external organizations, such as Statistics Canada, matched information that the Ministry used to calculate the actual results.

3. Information in reports that originated in the Ministry matched information that the Ministry used to calculate the actual results. In addition, I tested the processes the Ministry used to compile the results.

Comparability and Understandability

4. Actual results are presented clearly and consistently with the stated methodology and are presented on the same basis as targets and prior years' information.

I found no exceptions when I performed these procedures.

As my examination was limited to these procedures, I do not express an opinion on whether the set of measures is relevant and sufficient to assess the performance of the Ministry in achieving its goals.

Original signed by Fred J. Dunn, FCA

Auditor General

Edmonton, Alberta
August 12, 2008

The official version of this Report of the Auditor General, and the information the Report covers, is in printed form.

2007-2008 Results

OPERATING RESULTS

Ministry revenues in 2007-08 were $110.8 million higher than in the previous year with annual spending increases of $145.8 million. Ministry revenues and expenses are from the Statement of Operations on page 81.

Revenue

Total revenue increased by $110.8 million to $2.36 billion in comparison to $2.25 billion in 2006-07. The increase of $101.4 million is related to higher lottery and liquor sales due to population growth, a strong economy and higher disposable income. Interest income increased by $2.4 million mainly due to higher gaming proceeds flowing through the Alberta Lottery Fund and higher interest rates. Other revenue increased by $6.7 million, which included higher recovery of provincial fines surcharges of $2.8 million and recovery of $3.5 million for the enhanced policing services agreements.

Expenses

Ministry expenses were $182.2 million above the original budget of $1.97 billion. The over-expenditure is primarily due to the flow of higher lottery proceeds to other ministries ($178 million) such as Alberta Finance for Contingency Allowance/Alberta Sustainability Fund as required by the *Appropriation Act*. Supplementary funding of $9.5 million was also added to address salary settlements and for enhanced policing services agreements and was offset by delays in planning for radio interoperability and training centre initiatives ($5.2 million).

This section provides an integrated examination of the ministry's results for the past year, including key challenges, activities and accomplishments, performance measures and financial results. It is organized according to the core businesses and goals outlined in the ministry's 2007-2010 business plan.

Table 1
Ministry of Solicitor General and Public Security 2007-08 Expense by Function
($ thousands)

Function	2006-07 Actual	2007-08 Budget	2007-08 Actual
Protection of Persons and Property	$433,756	$492,735	$496,321
Social Services	17,885	18,008	18,643
Lottery Fund Payments			
Health	362,803	279,497	297,497
Education	178,869	178,869	178,869
Social Services	49,500	55,500	55,500
Agriculture, Res. Mgmt & Econ. Dev.	189,454	262,452	258,082
Regional Planning and Development	26,000	26,200	26,200
Protection of Persons and Property	1,465	1,865	1,865
Transportation, Communications and Util.	175,000	175,000	175,000
Environment	500	500	500
Recreation and Culture	175,783	383,351	379,732
General Government	390,488	91,173	277,138
Ministry Expense	$2,001,503	$1,965,150	$2,147,347

Table 2 summarizes the ministry's expenses by core business for 2007-08. More detailed financial results are included under each core business, as well as in the Financial Results section of this annual report.

Table 2
Ministry of Solicitor General and Public Security 2007-08 Expense by Core Business
($ thousands)

Core Business	2006-07 Actual	2007-08 Budget	2007-08 Actual
1. Policing, Crime Prevention and Response to Organized Crime	$234,463	$256,279	$255,715
2. Custody, Supervision and Rehabilitative Opportunities for Offenders	175,826	189,681	196,671
3. Security Services	23,751	45,882	42,963
4. Victims Programs and Services	18,673	18,901	19,615
5. Alberta's Liquor and Gaming Industries Operate in a Socially Responsible Manner	1,548,790	1,454,407	1,632,383
Ministry Expense	$2,001,503	$1,965,150	$2,147,347

Core Business One

Policing, Crime Prevention and Response to Organized Crime

Core Business One promotes safe communities through effective policing, law enforcement and crime reduction strategies to address criminal activity. The ministry also provides oversight for policing and law enforcement in Alberta, integrated policing and law enforcement initiatives as well as local crime prevention and community safety programs.

Results for law enforcement and crime prevention for 2007-08 include the following areas of focus:

- effective law enforcement and partnerships (ALERT and sheriffs);
- enhanced public oversight;
- agency interoperability;
- best practices in crime reduction;
- community crime prevention; and
- integrated crime reduction strategies.

Actual expenditures of $255.7 million for Core Business One were lower than the budget of $256.3 by $0.6 million mainly due to delayed start-up costs for new initiatives.

Compared to 2006-07, actual expenditures for Policing, Crime Prevention and Response to Organized Crime increased by $21.3 million to $255.7 million. This was primarily due to approved spending increases of $11 million for the Provincial Policing Services Agreement (new RCMP positions, inflationary costs, lower vacancy rate and enhanced policing services agreements) and $4 million for increases in policing-related grants and First Nations Policing, as well as new initiatives such as Alberta Serious Incident Response Team (ASIRT), International Crime Prevention Conference and radio interoperability. Also, an additional $2 million was provided to combat serious and organized crime. The remainder was due to allocation of ministry support services including the computer replacement and enhancement program, the Strategic Information Technology Initiative, and valuation adjustment.

Table 3

Ministry 2007-08 Expenses for Core Business One
($ millions)

	2006-07 Actual	2007-08 Budget	2007-08 Actual
Policing, Crime Prevention and Response to Organized Crime	$234,463	$256,279	$255,715

Goal 1 Provide leadership in law enforcement to promote safe communities

This business plan goal includes strategies for effective policing through partnerships with municipalities for policing services and First Nation police services, support for policing activities through the Alberta Sheriffs program and the Provincial Policing Service Agreement with the federal government for RCMP services. In addition, the ministry provides oversight of policing and law enforcement activities across Alberta. It also addresses critical criminal activity pressures through technology initiatives to enhance interoperability among enforcement activities.

Results for Goal 1 include the following areas of focus:

- effective law enforcement and partnerships;
- enhanced public oversight; and
- agency interoperability.

EFFECTIVE LAW ENFORCEMENT AND PARTNERSHIPS

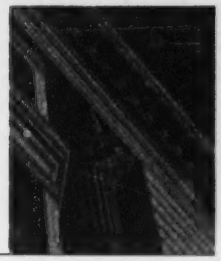
The ministry works with a wide range of agencies to ensure effective policing for Alberta communities:

- The Provincial Policing Service Agreement with the RCMP provides policing for rural areas of the province, support to other police services and provincewide policing services and initiatives.
- Municipal Policing Assistance Grants provide financial assistance to municipalities that are required to provide their own policing. These grants also provide assistance to municipalities to implement provincial initiatives.
- A cost-sharing agreement with the federal government provides culturally relevant and effective policing to Aboriginal communities. Work is ongoing with federal partners to enhance the sustainability and integration of First Nation police services.
- In March 2007, a policing roundtable was held to discuss issues facing policing and assist in initiating a process for developing a new model for policing in Alberta. In attendance were representatives from Alberta's police services, associations, commissions, committees, academics, the community-at-large and the Ministry of Solicitor General and Public Security.

Over the past several years, the ministry has been working toward completion of a modernized legislative framework for law enforcement and public safety in Alberta. A new *Peace Officer Act*, resulting from the MLA Review of the Special Constable Program, was proclaimed on May 1, 2007. This new legislation clarifies the roles and responsibilities of peace officers (formerly called "special constables"), strengthens qualification and training standards and increases accountability. The Alberta *Peace Officer Act* supports alignment with police services especially in areas where there is an overlap of law enforcement responsibilities.

The 9th annual Alberta Police and Peace Officers' Memorial Day Ceremony took place on September 30, 2007. This day coincides with the national Memorial Day ceremony held on Parliament Hill in Ottawa. The two names added to the memorial were members of the Alberta Provincial Police who were killed on duty in the 1920s. There are now 93 names of Police and Peace Officers who have died in the line of duty in Alberta since 1876.

Law enforcement and public safety are the responsibility of a wide range of bodies and agencies which incorporate police officers, specialized investigators, municipal peace officers, provincial peace officers (sheriffs) and security guards. As part of the administration of policing activities, the ministry is working with these bodies and agencies toward an integrated and co-ordinated law enforcement network. This network includes clarified roles of all parties and enhanced efficiency of law enforcement agencies in working toward the common goal of public safety.



In 2007-08, a long-term solution was developed for effective policing services in the Lesser Slave Lake area. Aboriginal community leaders and the Alberta and federal governments worked together to create a new model for policing services, which have been provided by the RCMP since the fall of 2006. The new model reflects a strong commitment by all parties to create a professional and culturally sensitive police force. The new Lesser Slave Lake Police Service (LSLPS) will initially consist of 10 RCMP officers. Once new recruits have met the necessary training standards, they will join the LSLPS and RCMP officers will then be returned to the ranks of the provincial police service.

Over the next five years, the 10 qualified candidates recruited for the LSLPS will be trained at the RCMP Depot in Regina.

Upon completion of recruit training, individuals will have six months of on-the-job training with the RCMP at the Lesser Slave Lake Police Service.

The province has established the **Alberta Law Enforcement Response Teams (ALERT)**, an organization operating at arms-length from government, to oversee a variety of provincewide initiatives directed at critical criminal activity pressures, including organized crime, child exploitation, drug operations and domestic violence.

ALERT oversees initiatives that bring together personnel and resources from a variety of police services in Alberta. These units include:

- the Criminal Intelligence Service Alberta (CISA);
- the Integrated Response to Organized Crime Units (IROC);
- the Integrated Child Exploitation Unit (ICE);
- the Alberta Relationship Threat Assessment and Management Initiative (ARTAMI); and
- other existing drug, gang and intelligence units across Alberta.

The establishment of ALERT has resulted in increased collaboration among law enforcement agencies in combating organized and serious crime. By March 2008, after a full year of operation, all ALERT units reported development and sharing of new intelligence with enforcement units.

The Integrated Provincial Threat Assessment, compiled with intelligence from all ALERT units, was led by the Criminal Intelligence Service Alberta (CISA). The assessment report provided strategic information on 54 organized crime groups and 49 subjects of interest active in the province. Information provided is utilized by police officials making strategic decisions and setting both intelligence and enforcements priorities. In some circumstances, this intelligence-sharing has already led to enforcement actions.

In 2007-08, ALERT unit enforcement actions resulted in a total of 2,249 charges laid against 728 individuals. The majority of these charges were related to drug trafficking or possession, but also included numerous weapon and criminal code offences, along with the seizure of firearms, cocaine, heroin, marijuana, ecstasy tablets, poppy plants, methamphetamine, cash and automobiles.

The Southern Alberta Marihuana Investigation Team (SAMIT) executed a search warrant in Calgary where approximately 1,633 poppy plants were located. Subsequent charges were laid, but of significance, the United Nations advised that this is the first opium poppy grow seized in Canada.

Over the past year, the Criminal Intelligence Service Alberta (CISA) provincial training program for police and partner agencies provided training for 928 candidates. Other specialized training was provided to personnel from the ALERT operational units to enhance skills, expertise and knowledge.

The ICE unit, in co-operation with other law enforcement agencies, actively investigates online child predators – provincially, nationally and internationally.

The ICE unit has achieved tremendous success in fighting child exploitation. In 2007-08, ICE unit activities resulted in 143 charges laid against 41 individuals.

ICE teams provided a total of 78 presentation to various community interest groups, schools and social agencies, focused primarily on protecting the attendees and youth from internet predators.

ARTAMI helps victims of high-risk relationship violence and stalking. It co-ordinates the efforts of police, prosecutors and community organizations. It is a resource for child intervention workers, women's shelters, corrections personnel and mental health experts.

ARTAMI has provided training to social and legal agencies and built relationships with community stakeholders. In 2007-08, the ARTAMI received 75 new cases for investigation and assistance.

The **Alberta Sheriffs Program** supports police efforts and supplements policing activities. As of March 2008, more than 100 Alberta Sheriffs were supporting police agencies, in areas such as traffic safety, warrant apprehension, and investigation and surveillance. Alberta Sheriffs also provide offender transport (see Goal 3), court security (see Goal 5) and contribute to critical infrastructure protection and crisis management (see Goal 5).

In an effort to make our highways safer, the **Sheriff Traffic Program** was introduced in September 2006 and has been welcomed by the law enforcement community and Albertans. In 2007-08, the number of traffic sheriffs increased to 84. Since the inception of the program, traffic sheriffs have issued more than 100,000 violations, as summarized in Table 4 below.

During 2007-08, traffic sheriffs opened a satellite office in Boyle to improve enforcement along Highway 63 (to Fort McMurray). During the months of February and March 2008, the Boyle office reported 2,008 offences, with 29 of those being mandatory court offences for motorists caught going 50 km/h or more over the posted speed limit. The satellite office has received positive feedback from the citizens of Boyle.

Sheriffs work closely with law enforcement agencies on Joint Forces Operations (JFOs), including highway enforcement programs and investigations. In 2007-08, Alberta Sheriffs participated in more than 200 JFOs with the RCMP, municipal police services, Alberta Fish & Wildlife and other provincial ministries. With invitations from RCMP and other police services, sheriffs also participated in community education and awareness programs.

Table 4
Results from the Sheriff Highway Patrol

Enforcement Statistics	2007	Since Program Inception (September 1, 2006)
Total Violations	81,305	102,882
Total Collisions Attended	171	344
Suspected Impaired Drivers Removed from the Road	360	414
Traffic Service Requests from the Public	68	140

In 2007-08, Alberta Sheriffs established a new **Fugitive Apprehension Sheriffs Support Team** (FASST) as part of the Alberta government's efforts to get tough on crime. FASST is dedicated solely to finding and arresting criminals with outstanding warrants who have evaded capture. FASST teams based in Edmonton and Calgary were established with funding of $1.4 million. Each team has five sheriffs who have undergone extensive training with the RCMP and municipal police services. FASST sheriffs had an immediate impact on community safety by targeting wanted criminals living in Alberta communities.

The **Sheriffs Investigative Support Unit** (SISU) began operations in May 2007. This unit supports police agencies by providing complex and highly-specialized surveillance, intelligence, evidence-gathering and investigation services using leading-edge techniques. The unit assists investigative teams making strategic and operational decisions.

The demand for the services of SISU remains high and, to date, the unit has assisted numerous agencies in the investigation of almost 90 cases involving various criminal offences including homicide, drug trafficking, child exploitation, robbery, fraud and theft. The evidence gathered by SISU has assisted in securing a number of criminal convictions in subsequent court proceedings.

There are approximately 200,000 outstanding warrants in Alberta. About four per cent involve serious or violent crimes.

From January 2008 through March 2008, FASST arrested more than 50 persons and executed more than 260 warrants. The majority of warrants were for individuals accused or convicted of pedophile offences, drug/gang offences, assault, sexual assault, serious property offences, attempted homicide and/or homicide.

ENHANCED PUBLIC OVERSIGHT

The ministry is responsible for providing oversight and governance for policing and law enforcement activities. Oversight includes accountability to the public through civilian governance oversight mechanisms and is essential for maintaining public confidence in policing and law enforcement.

Effective civilian oversight and governance of police is essential to ensure that the police service uses its powers and authority in a manner reflecting respect for law and individual rights and freedoms.

As a result of amendments to the *Police Act* in spring of 2007, the **Alberta Serious Incident Response Team** (ASIRT) was established. ASIRT may be called upon to investigate matters involving police where the actions of an officer have resulted in serious injury or death, or other matters of a serious or sensitive nature. ASIRT is governed by Section 46.1 of the *Police Act*. The director may also engage public overseers from the community to ensure independence in the investigative process.

The ministry proposed an amendment to the Police Act to enable the creation of a provincial body to investigate serious injuries or deaths that may have resulted from the actions of a police officer, or other serious or sensitive allegations involving police. The amendment was introduced as part of Bill 16, and passed by the Spring 2007 sitting of the Legislative Assembly.

In October 2007, a civilian director was seconded from Alberta Justice and Attorney General to lead ASIRT. ASIRT has units in Calgary and Edmonton. ASIRT investigators are current police officers or civilians with investigative experience.

Recent amendments to Alberta's *Police Act* have resulted in new or additional civilian governance oversight mechanisms. In 2007-08, the ministry created a new position: Manager, Civilian Oversight of Policing to provide direction and leadership to municipally appointed police commissions and policing committees and to oversee the police complaint process. This position and the Provincial Public Complaints Director (created last year) both assist the Director of Law Enforcement in monitoring and evaluating police handling of complaints.

The ministry worked collaboratively with the RCMP "K" Division on innovative procedures to strengthen oversight and governance of RCMP in municipalities where they are engaged as the municipal police service. The **Public Complaint Director Protocol** was rolled out in July 2007. The protocol provides parameters for assistance and complaint handling for municipal policing committees. It is intended to support and empower community involvement in the oversight and governance of their police services.

Enhancements were also made to existing governance processes. The **Law Enforcement Review Board** (LERB) is an agency of the ministry. The LERB is an independent, quasi-judicial body established under the *Police Act*. It hears appeals from citizens who are not satisfied with the disposition of their complaint against a police officer. Police officers may also appeal disciplinary decisions. In September 2007, four new members were appointed to the LERB, increasing board membership to 12 to ensure a more timely review of cases.

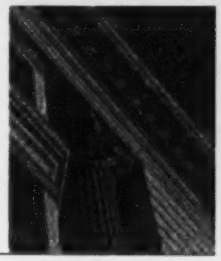
AGENCY INTEROPERABILITY

The ministry continues to encourage policing partnerships and networks, including enhanced use of technology and bridging of intelligence activities. Several information technology initiatives are underway to enhance the safety and security of Albertans by improving the ability of agencies to work together in gathering, sharing and communicating information.

Key initiatives to enhance agency interoperability in 2007-08 include:

- Alberta First Responders Radio Communication System
  The ministry continued development of a provincewide radio communication system to improve the exchange of information among enforcement agencies and first responders. This system will enable various agencies, including provincial departments and federal, municipal, and First Nations partners, to better co-ordinate and support each other during a crisis, natural disaster or major incident. The radio system will be integrated with other efforts to maximize the use of technology, including the recommendations of the Blueprint for the Future of Corrections (see Goal 3). Solicitor General and Public Security is providing overall leadership for this initiative, and Service Alberta is providing business and technical support.

- Alberta Police Integrated Information Initiative (API3)
  This initiative aims to provide all Alberta police agencies with common shared information systems. Improved information systems are a tool for addressing organized crime and mobile criminal activity, contributing to improved public and officer safety and enhanced collaboration with community agencies. The API3 recommendations were approved by the Alberta Chiefs of Police in November, 2007. Implementation of API3 will include development of governance models, standards and mechanisms to address provincial and federal privacy legislation.



Objectives of the Alberta First Responders Radio Communication System

- *Replace outdated and disparate radio systems with a single, interoperable system.*
- *Provide first responders and the Government of Alberta with the ability to communicate across agencies and jurisdictions.*
- *Enable public safety agencies to exchange timely, accurate, relevant and complete voice and data information.*

Definitions of "Interoperability"

- General Interoperability: *a way in which organizations and people can work together using standardized technology and procedures.*
- Radio Interoperability: *The capability of a public safety agency to communicate by radio with another public safety agency, on demand and in real time.*

Performance Measures: Victimization and Crime Rates

To assess progress toward maintaining safe and secure Alberta communities, the ministry tracks the percentage of Albertans who report being victims of crime. The ministry's business plan target for this measure is 25 per cent.

The victimization rate from public opinion surveys is higher than the police-reported crime rate because the victimization rate includes both police-reported and unreported crimes.

The ministry also tracks rates of violent and serious crime in the province using national statistics. The ministry's business plan target is for Alberta's property and violent crime rates to be equal to or less than the national average. These are new stretch targets developed for the 2007-10 Ministry Business Plan.

Performance Measure 1.a – Victimization Rate

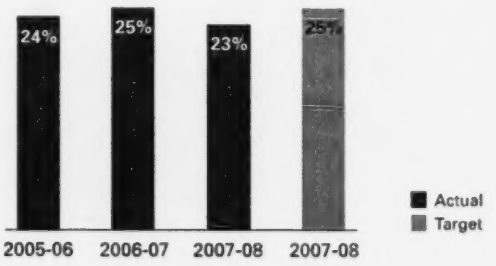
Results from an annual public opinion survey are used to estimate the percentage of Albertans who report having been a victim of crime in the previous year.

In 2007-08, 23 per cent of Albertans surveyed reported being a victim of a crime in the past year. This is a two per cent reduction from the 2006-07 annual report and two per cent lower than the 25 per cent rate targeted in the business plan. The 2007-08 results are the lowest since 2001 when 20 per cent said they were a victim at least once. The 2007-08 survey reported 1,234 incidents of crime for 1,200 respondents, for an average of 1.028 incidents per adult Albertan. Of the 1,200 respondents, 456 reported being victims of crime. This subset sample reported being victimized on average 2.7 times each in the past year.

In 2007-08, Albertans surveyed indicated the most commonly reported crimes were a) vandalism (15 per cent), b) theft of personal property (11 per cent) and c) break and enter (less than 10 per cent). In addition, Albertans surveyed reported identity theft (four per cent) and hate crime toward an identifiable group (two per cent). Less than half of all the incidents were reported to police (47 per cent). The crimes most likely to be reported to police include robbery (61 per cent), break and enter (59 per cent) and motor vehicle or parts theft (57 per cent). Crimes that were the least likely to be reported to police include hate crimes (nine per cent), sexual assault (25 per cent), identity theft (31 per cent), and assault (31 per cent).

Figure 2
Victimization Rate (percentage per year)

Source: 2008 Alberta Solicitor General and Public Security General Public Opinion Survey. – Research Innovations Inc.

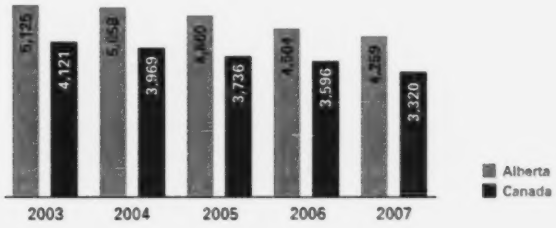


Commencing in 2007-08 the performance measures for property crime and violent crime are five year comparisons between Alberta and national crime rates. Previously, the measures compared the four western provinces, with Alberta consistently having the lowest crime rates. The newly introduced measures will give Alberta a stretch target and encourage program development and service delivery. For more information, please refer to the Performance Measures Methodology on page 66.

Performance Measure 1.b – Crime Rate: Property Crime

The 2007 business plan target for the property crime rate was to be equal to or lower than the national rate. In 2007, Alberta's rate of property crime was 28.3 per cent higher than the national rate. However, some property crimes in Alberta showed marked declines from previous years. In 2007 Alberta's property crime rate declined by 5 per cent, which is its lowest point in three decades. Break and enters declined to its lowest point in 30 years, slightly above the national average. Alberta's motor vehicle theft rate also decreased in 2007, a decline similar to that of the Canadian rate. Despite this decrease, Alberta continued to have the second highest rate of motor vehicle theft among the provinces.

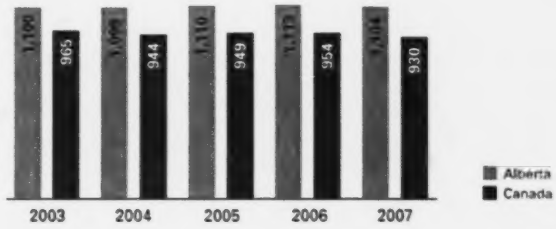
Figure 3
Crime Rate: Property Crime (per 100,000 population)
Source: Canadian Centre for Justice Statistics.



Performance Measure 1.c – Crime Rate: Violent Crime

The 2007 business plan target for violent crime rate was to be equal to or lower than the national rate. Alberta's 2007 violent crime rate was 18.7 per cent higher than the national rate. Alberta's violent crime rate remained stable in 2007, a trend that is consistent over the past decade. There was a 5 per cent increase in the rate of robbery in 2007, with most of these recorded in Edmonton and Calgary. Despite a decrease in the rate of homicides, Alberta continued to have the third highest homicide rate among the provinces and Edmonton and Calgary reported the third and fourth highest rates of homicide among Canadian metropolitan areas.

Figure 4
Crime Rate: Violent Crime (per 100,000 population)
Source: Canadian Centre for Justice Statistics.



Goal 2 Crime prevention and community safety programs are in place to promote safe Alberta communities

This business plan goal encompasses strategies for education, training and funding for community crime prevention and community safety programs; partnerships to deliver crime prevention and restorative justice programs; and development of an integrated crime reduction strategy to address root causes of crime, deter crime and make criminal acts more difficult to commit.

Results for Goal 2 include three major areas of focus:

- best practices in crime reduction;
- community crime prevention; and
- integrated crime reduction strategies.

BEST PRACTICES IN CRIME REDUCTION

Innovative and unique ideas to prevent and reduce crime took centre stage in Banff in October 2007. The 2007 International Crime Reduction Conference, *Crime Reduction: Exploring Leading Practices*, was hosted by the Government of Alberta and organized by the Ministry of Solicitor General and Public Security. More than 500 delegates from as far away as New Zealand attended. Conference delegates developed proactive partnerships, synthesized issues and explored innovative and integrated solutions to address the continuum of community safety.

Crime Reduction: Exploring Leading Practices
2007 International Crime Reduction Conference
The conference brought together national and international experts with direct experience in leading-edge strategies to reduce crime and disorder in communities.

Delegates included practitioners from the fields of education, law enforcement, health services, corrections and victim support, as well as business and community leaders.

"As premier, I am proud that our province is hosting the International Conference on Crime Reduction. One of my government's top priorities is to ensure safe and secure communities ... I know it is a priority shared by each of you ...."
– Greetings from the Honourable Ed Stelmach, Premier of Alberta.

COMMUNITY CRIME PREVENTION

Community crime prevention includes awareness, education and support for communities to work together with law enforcement agencies to prevent or deter criminal activity. Community crime prevention initiatives for 2007-08 include Aboriginal community crime prevention, Alberta Community Crime Prevention grants, restorative justice projects and Youth Justice Committees.

Results for 2007-08 community crime prevention initiatives include:

- Aboriginal Community Crime Prevention
  Most community crime prevention programs include support for specific projects undertaken by Aboriginal communities and organizations. The ministry provides additional support for crime prevention initiatives in Aboriginal communities, including funding for five Aboriginal crime prevention co-ordinators serving eight communities. A variety of Aboriginal youth development programs promote positive support networks; provide sport, art, recreation and wellness opportunities; and enhance hope and empowerment among Aboriginal youth. Youth development programs supported by the ministry include the Alberta Future Leaders program, the Aboriginal Youth Suicide Prevention Strategy and the Hobbema Community Cadet Corps.
- Alberta Community Crime Prevention Grants
  This program supports non-profit organizations and community-based coalitions and networks in undertaking projects to prevent crime in their neighbourhoods and make their communities safer. Some projects receive funding for more than one year. In 2007-08, the ministry provided $600,000 in grants to support 24 projects, including prevention of elder abuse and family violence, community safety, youth development and community outreach.

Alberta Crime Prevention Week *– An annual campaign to increase awareness of crime prevention*

Crime Prevention Week 2007 featured the 16th annual Alberta Solicitor General and Public Security Crime Prevention Awards. The event, held at McDougall Centre in Calgary, was co-hosted by the Ministry of Solicitor General and Public Security and the RCMP.

12 Crime Prevention Awards were presented to recognize the outstanding efforts of individuals, police officers, youth and community organizations in making Alberta communities safer.

- Restorative Justice
  The ministry supports projects that enhance community awareness of restorative justice processes and increase community capacity to deliver restorative justice programs. Many restorative justice projects support greater involvement of victims of crime by making victims feel safe and empowered while holding offenders accountable for their actions. In 2007-08, the ministry provided $340,000 for 11 restorative justice projects delivered by non-profit and community-based organizations. These projects included victim-offender mediation, training programs, leadership development in schools and Aboriginal restorative justice initiatives.

"Restorative justice" refers to voluntary, community-based approaches that allow offenders to come to terms with their crimes and understand how their actions have affected victims and communities.

These approaches may be used as an alternative or supplement to sentences such as house arrest, probation or jail; they can be initiated at any time during the criminal justice process.

Provincial support in 2007-08 included funding to establish a provincial restorative justice association.

This first association of its kind in Canada will address training, standards of practice, evaluation and sustainability of programs.

- **Youth Justice Committees (YJCs)**

  YJCs work in partnership with Alberta's justice system to provide youth with an alternative to the formal court process. They hold young people (aged 12-17) accountable for their actions while giving them a second chance to become contributing members of society. YJCs are authorized under the *Youth Criminal Justice Act* to resolve matters by administering extra-judicial sanctions. These sanctions are determined by each committee and may include a combination of community service, victim compensation through personal service or essay writing, and meeting with victims and community members. Youth charged with serious or violent crimes or with a history of repeat offences are not eligible for extra-judicial sanctions. YJCs may also provide sentencing advice to youth court; many are also involved in crime prevention initiatives aimed at youth.

  In 2007-08, the ministry provided $500,000 in funding to support the YJC program. This included $350,000 to support 123 YJCs across the province, and $150,000 for the Cochrane Youth Justice Committee to host the 7th Provincial Youth Justice Committee Conference. The YJC conference held in Calgary in November 2007 recognized volunteers as the foundation for the success of this program.

- *The first Youth Justice Committee (YJC) in Alberta was established in Fort Chipewyan in 1990, in the form of a sentencing circle.*
- *In 1994, there were six YJCs in Alberta, whereas in 2008, there are 123 YJCs across the province, involving more than 1,400 volunteers.*

Alberta's Youth Justice Committees have been recognized with national and provincial awards:

- *a Gold Award from the Institute of Public Administration of Canada (2002), and*
- *a Premier's Gold Award of Excellence (2003).*

Community crime prevention also includes working with other ministries and dozens of non-government agencies to address societal impacts and root causes of crime (see Goal 4).

INTEGRATED CRIME REDUCTION STRATEGIES

Alberta's *Crime Reduction and Safe Communities Task Force* was launched in March 2007. The Task Force examined ways for government, stakeholders and partners to work together to reduce crime and the fear of crime, to make communities safer places to live, work and raise families.

The Crime Reduction and Safe Communities Task Force was a cross-ministry initiative involving 13 ministries, co-led by Justice and Attorney General and Solicitor General and Public Security. The task force met with more than 1,700 Albertans in 14 communities in the spring of 2007. The Ministry of Solicitor General and Public Security provided planning and logistical support, and attended consultations with stakeholders and the public.

The Crime Reduction and Safe Communities Task Force heard a clear message from Albertans that:

- a balanced approach is needed, combining strong enforcement with proactive measures to prevent crime from taking root; and
- government, police, the community, businesses and all Albertans must work together to focus on the factors that give rise to crime.

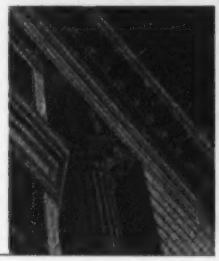
The task force report, *Keeping Communities Safe,* was released in November 2007. The report's recommendations represent an integrated approach to crime prevention that includes enforcement, prevention and treatment. Priority recommendations include adding more police, targeting chronic repeat offenders, providing more support for police to deal with known drug houses and establishing mental health and other specialized courts.

The Government of Alberta implemented a cross-ministry response to the task force report *Keeping Communities Safe,* including the establishment of a Safe Communities Secretariat. The Ministry of Solicitor General and Public Security is leading the government's response to a number of task force recommendations and is participating with other ministries to address other task force recommendations related to enforcement, prevention and treatment/intervention (refer to next page).

CRIME REDUCTION AND SAFE COMMUNITIES TASK FORCE RECOMMENDATIONS

The Ministry of Solicitor General and Public Security will be involved in either as a participant or leading

Recommendation #	Description	Lead or Participant
ENFORCEMENT		
3	Require tougher enforcement of the current laws and regulations under Alberta's Gaming and Liquor Act.	Lead
6	Adopt a Safer Neighbourhoods Act expanding the powers of municipalities to tackle crime and improve safety in their communities.	Lead
12	Ensure meaningful consequences for criminal activity through closer monitoring of offenders, expanding the use of effective approaches to custody and requiring strict compliance with the conditions of release.	Lead
18	Increase the number of police officers.	Lead
19	Take targeted action to address the serious problem of repeat offenders.	Lead
PREVENTION		
4	Develop and implement a targeted social marketing campaign to counter excessive drinking and use of drugs.	Participant
7	Clarify the rules and remove barriers to sharing essential information, including information about suspected criminal offences.	Participant
14	Ensure schools have access to both a school resource officer and adequate counselling services.	Lead
15	Expand provincial support for programs aimed at preventing domestic violence and providing support for families who are victims of domestic violence.	Participant
20	Identify and map high-crime areas and support pilot projects targeted at improving safety in those "hot spots."	Lead
22	Take targeted action to increase the percentage of crimes that are reported.	Lead
23	Establish an ongoing mechanism for municipalities to provide input into provincial policing priorities.	Lead
24	Encourage all municipalities to develop and implement a safe community strategy.	Participant
29	Partner with Alberta's First Nations and the federal government to jointly develop pilot projects designed to build safer communities, reduce crime and address the needs of at-risk community members.	Participant
31	Establish a comprehensive longer-term Alberta crime reduction and prevention strategy coordinated and supported by a dedicated responsibility centre within the provincial government.	Participant
TREATMENT/INTERVENTION		
21	Expand the use of multi-disciplinary teams to address crises in communities.	Participant
25	Expand access to mental health services and treatment.	Participant



Performance Measures: Safety in the Home and in the Neighbourhood

Public perceptions of safety measure the overall success of law enforcement and crime prevention initiatives. The ministry tracks the percentage of Albertans who feel safe in their homes and their neighbourhoods after dark.

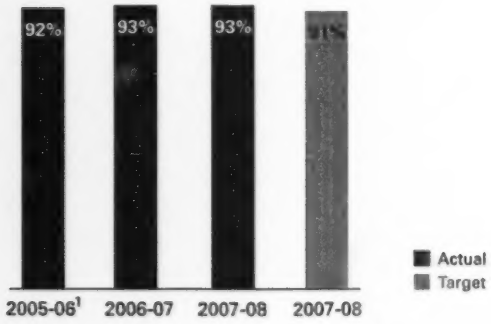
Performance Measure 2.a – Public Perception of Safety in the Home

Results for this measure are based on an annual survey question asking Albertans how safe they feel in their homes after dark. Results reported include those who feel "reasonably safe" and "very safe." The increased sample size of 1,200 adult Albertans in the 2008 public opinion survey allowed for a margin of error in the results no greater than +/- 2.8 per cent at the 95 per cent confidence level (see "Performance Measures Methodology" section).

In 2007-08, 93 per cent of respondents indicated that they felt "very safe" or "reasonably safe" from crime in their own home after dark. This result is the same as the 2007 survey results and exceeds the 2007-08 business plan target of 91 per cent.

Figure 5
Public Perception of Safety in the Home
(percentage per year)

Source: 2008 Alberta Solicitor General and Public Security General Public Opinion Survey. – Research Innovations Inc.



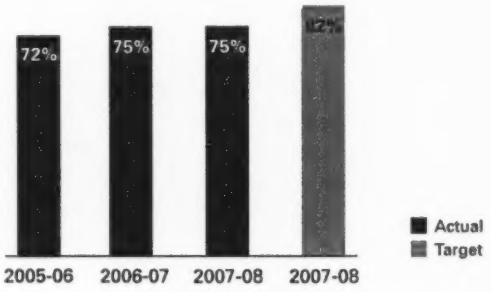
Performance Measure 2.b – Public Perception of Safety in the Neighbourhood

Results for this measure are also based on an annual public opinion survey question asking Albertans how safe they feel walking alone in their area after dark. Results reported include those who feel "reasonably safe" and "very safe."

In 2007-08, 75 per cent of Albertans surveyed felt "reasonably safe" to "very safe" walking alone in their area after dark. This result is the same as last year's result but still less than the business plan target of 82 per cent.

Figure 6
Public Perception of Safety in the Neighbourhood
(percentage per year)

Source: 2008 Alberta Solicitor General and Public Security General Public Opinion Survey. – Research Innovations Inc.



Core Business Two

Custody, Supervision and Facilitation of Rehabilitative Opportunities for Offenders

Core Business Two promotes safe and secure Alberta communities through the secure and efficient custody and transportation of inmates, the court-ordered supervision of individuals in the community, and the provision of rehabilitative opportunities for offenders.

Results for correctional services in 2007-08 include the following areas of focus:

- innovative strategies for management of offender populations;
- a blueprint to guide the future of corrections in Alberta;
- strategies to address remand population pressures;
- rehabilitative services for offenders, including enhanced programming for youth in transition;
- strategies to improve offender health status; and
- enhanced training for staff supervising offenders.

Actual costs for Core Business Two were $196.7 million, exceeding the budget of $189.7 million by $7.0 million. The deficit was primarily due to manpower salary settlements of $3.6 million and $1.4 million for prisoner transport due to increase in inmate transfer. Additional expenses of $2 million were due to valuation adjustments and Information Technology programs.

Compared to 2006-07, actual expenditures for custody, supervision and rehabilitative opportunities for offenders increased by $20.8 million to $196.7 million. The increase was due to $17 million for salary settlements and staffing growth, as well as $2 million for increased contract costs, supplies, equipment and furniture purchases. The remainder was due to allocation of ministry support services, including the computer replacement and enhancement program, the Strategic Information Technology Initiative, and valuation adjustment.

Table 5
Ministry 2007-08 Expenses for Core Business Two
($ millions)

	2006-07 Actual	2007-08 Budget	2007-08 Actual
Custody, Supervision and Rehabilitative Opportunities for Offenders	$175,826	$189,681	$196,671

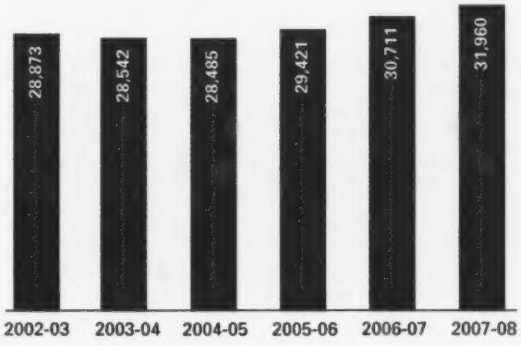
Goal 3 Secure and efficient custody and community supervision

This business plan goal encompasses management of remand and correctional centres, adult minimum security camp operations, attendance centre operations, young offender centres and one youth work camp to ensure secure custody of adult offenders and young offenders aged 12-17. As well, community supervision, including pre-trial supervision for adults and youth, is included in this goal. Other provincial correctional facilities and services are provided by contracted Aboriginal and non-profit organizations.

Results for Goal 3 include the following areas of focus:

- innovative strategies for management of offender populations;
- a blueprint to guide the future of corrections in Alberta; and
- strategies to address remand population pressures.

Figure 7
Admissions to Alberta Correctional Centres (number of admissions per year)
Source: Correctional Services Data



MANAGEMENT OF OFFENDER POPULATIONS

Provincial correctional facilities hold individuals who have been remanded into custody or inmates sentenced to periods of custody of less than two years for adults. Youth may serve longer custody periods, depending upon their sentence. Individuals held under the authority of the *Immigration and Refugee Protection Act* and adult offenders sentenced to two years or more who are awaiting transfer to a federal penitentiary are also housed at Alberta correctional facilities.

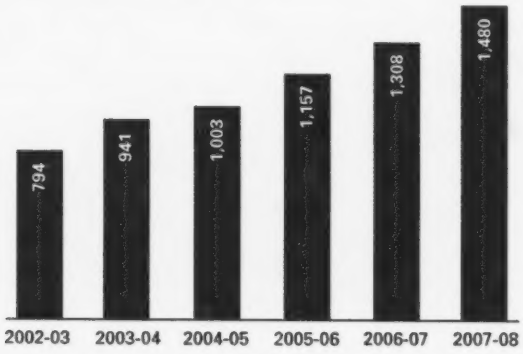
In 2007-08, there were 31,960 adult and young offender custody admissions in Alberta.

In 2007-08, there were approximately 2,660 adults in Alberta remand and correctional centres and 185 youth in young offender centres. The average length of stay in custody was 36 days for adults (15 days on remand status) and 54 days for young offenders (14 days on remand status).

Since 2000-01, the provincial adult in-house custody population has increased by 40 per cent. A further increase of 38 per cent is expected by 2011. Most of this increase is due to continuing growth in the number of offenders held in remand.

Since 2001, the proportion of the custody population held in remand has increased from 31 per cent to 55 per cent. The average daily remand population in 2007-08 was 1,480. This trend of increasing provincial remand populations is occurring across Canada.

Figure 8
Average Daily Remand Population
Source: Correctional Services Data



While the offender population continues to increase, it also continues to demonstrate changing characteristics. There are more gangs and gang-affiliated offenders in custody. In addition, a higher percentage of the incarcerated population nationally are presenting physical and mental health issues. Some characteristics of the offender population are summarized below.

Some Characteristics of the Offender Population

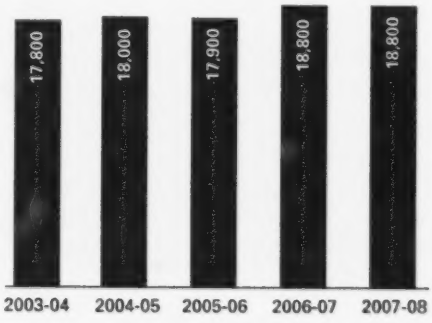
- *Inmate health status is influenced by social and economic factors, including lower levels of education, higher rates of unemployment and a lack of social support networks.*
- *62 per cent of adults admitted to custody have not completed high school.*
- *Key health issues presented by the offender population include infectious diseases, mental illness, addictions and concurrent disorders.*
- *The majority of all inmates have addictions issues.*
- *The physical and mental health needs of female offenders are disproportionately high.*

The ministry is also responsible for managing offenders in the community. Community supervision programs for adult offenders include: probation, pre-trial supervision, conditional sentences, alternative measures, peace bonds, fine options, temporary absence, community service, attendance centres and contracted bed space at community residential facilities.

Community supervision programs for young offenders include: probation, conditional discharge, pre-trial supervision, fine options, extra-judicial sanctions, custody and community supervision, deferred custody and conditional supervision, intensive support and supervision, intensive rehabilitative custody and supervision, and contracted bed space at group homes.

In 2007-08, there was an average caseload of approximately 15,000 adults and 4,000 youth under community supervision in Alberta.

Figure 9
Average Population Under Community Supervision
Source: Correctional Services Data



The ministry continues to strive for innovation in managing offender populations. Results for 2007-08 include:

- **Electronic Monitoring**
  Electronic monitoring of selected offenders began in 2005-06 and was evaluated in 2006-07. Electronic monitoring has been found to be cost-effective and reliable in monitoring offender curfews. Consequently, electronic monitoring was expanded to intermittent serving offenders in Calgary in 2007-08. Additional expansion proposals are being considered to further reduce offender risk to the community.
- **Improved Use of Information Technology**
  Systems are under development to facilitate integrated information sharing, both within corrections and with law enforcement agencies. This best practice in corrections management also supports efforts to enhance interoperability with and between law enforcement agencies (see Goal 1).
- **Amendments to the *Corrections Act***
  Amendments to the provincial *Corrections Act* in the fall of 2007 provide for safer correctional facilities and communities by enabling the electronic monitoring or recording of inmate telephone calls. The amendments also enhance the impartiality of inmate disciplinary processes and provide victims with access to information about offenders convicted of a crime against them.
- **Enhanced Staff Training**
  The ministry continues to expand training opportunities, enabling staff to address the challenges involved in supervising the offender population. Staff training results for 2007-08 are presented as part of Goal 4.

The ministry also continued to expand court video-conferencing facilities across the province. These facilities reduce the need for transportation of inmates thereby enhancing security and safety of staff, inmates and the public. Video-conferencing facilities also free up sheriffs from prisoner transportation duties who can now be redeployed to bolster court security. Video-conferencing is now at 63 court locations across the province.
Video court is also available at the following correctional facilities: Edmonton Remand Centre, Calgary Remand Centre, Edmonton Young Offender Centre and Calgary Young Offender Centre.

BLUEPRINT FOR THE FUTURE OF CORRECTIONS IN ALBERTA

The *Blueprint for the Future of Corrections* is a plan to respond to rapidly changing demographic pressures, social and economic factors, and the changing offender profile and to ensure Alberta's correctional services reflect best practices.

The objectives of the *Blueprint for the Future of Corrections* include:

- enabling better planning for future contingencies that may arise as the corrections landscape continues to evolve;
- identifying best practices for the effective delivery of correctional services and programs that support public safety and offender rehabilitation;
- helping to formulate approaches for dealing with a rapidly expanding inmate population;
- building recruitment and retention strategies to help meet future demands for correctional services and program staff; and
- developing evidence-based practices in adult custody, and in adult and youth community corrections to enhance public safety.

The *Blueprint for the Future of Corrections* report was completed in 2007-08. Implementation of the blueprint recommendations is underway and will focus on responding to offender population pressures, especially the growth of the adult remand population, and on strategies to enhance staff recruitment, training, retention and engagement.

The blueprint will also focus on implementing best practices for managing adult and young offender custody and community supervision populations. These best practices include the use of evidence-based risk and needs assessment tools as well as new solutions to managing offender populations.

Best practice standards for managing offender populations in custody include direct supervision to provide a more positive social and correctional environment.

Enhanced approaches to case management for community corrections and young offender programs include motivational interviewing, enhanced case management for targeted offender groups and greater emphasis on risk reduction for offenders under community supervision.

ADDRESSING REMAND POPULATION PRESSURES

Interim solutions to the pressures associated with the rising remand population were extended in 2007-08. An operational protocol with the Correctional Service of Canada (CSC) enabling the housing of selected provincially sentenced offenders at federal facilities was renewed and expanded.

To proceed with the long-term solution to overcrowding, additional funding was secured toward the construction of the new Edmonton Remand Centre. The new centre, addressing both current demands and future growth, is expected to be completed by 2011. This new facility will help alleviate overcrowding in the correctional system with the capability of accommodating almost 2,000 inmates. If required, the centre could be expanded to house up to 2,800 inmates.

The new Edmonton Remand Centre is being built to achieve high quality environmental design standards. Features will include energy efficient design, energy recovery systems using waste air and water, water efficient landscaping and storm water management. There will be five general population pods, one segregation pod, one health centre pod, and one central administration building which houses admissions and discharge, food services, video-conferencing facilities and central control. Each general population pod is self-contained, and will have four living units with 36 double-bunked cells in each unit. A secure monitored perimeter fence will define the site's boundaries and prevent public intrusion into restricted areas of the property. All housing pods and enclosed exercise yards will be located away from public view. Public safety was a top design consideration, as was the safety of staff and inmates.

Performance Measure: Completion of Temporary Absence

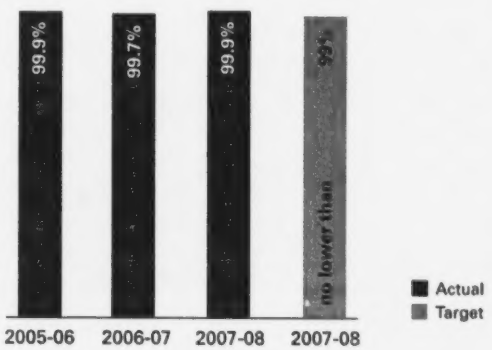
Temporary Absence is an early conditional release program available to some sentenced offenders in provincial correctional facilities. It involves the supervised release of selected low-risk offenders, including intermittent servers and fine defaulters. Offenders released under this program are involved in employment, rehabilitative, or community service programs.

This measure assesses the ability of decision-makers to accurately determine an offender's ability to remain stable in the community as well as the ability of supervisors to ensure offenders are complying with the conditions of their release.

Performance Measure 3.a – Successful Completion of Temporary Absence Supervision

In 2007-08, 99.9 per cent of offenders released under the program successfully completed their temporary absence supervision without incurring a new criminal charge. This result is comparable to last year and meets the business plan target.

Figure 10
Successful Completion of Temporary Absence Supervision (percentage per year)
Source: Correctional Services Data



Performance Measure: Cost for Housing Adult Offenders in a Correctional Facility

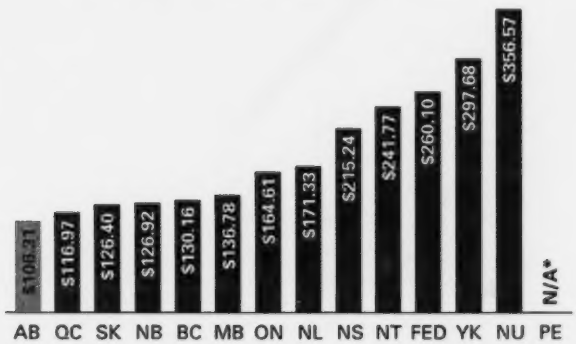
In providing secure custody of offenders, the ministry strives to maintain cost-effective housing in correctional facilities.

Performance Measure 3.b – Per Diem Cost for Housing Adult Offenders in a Correctional Facility

The per diem cost for housing adult offenders is based on data calculated by the Canadian Centre for Justice Statistics.

Alberta's per diem cost of housing adult offenders in a correctional facility was $106.31. This result represents a decrease of 2.22 per cent ($2.41) compared to 2004-05. Alberta's costs were the lowest in Canada. Provincial costs were well below the national average of $143.03 and the average per diem cost of housing an offender in a federally operated penitentiary, which was $260.10 in 2005-06. This result meets the ministry's business plan target to be among the four jurisdictions with the lowest cost per diem per offender in Canada[2].

Figure 11
Per Diem Cost for Housing Adult Offenders in a Correctional Facility
Source: Canadian Centre for Justice Statistics 2005-2006



Performance Measure: Number of Escape Incidents

Secure custody includes prisoner transportation and the prevention of escape incidents from secure custody. In 2007-08, the continued expansion of video-conferencing facilities reduced the need for transportation of offenders by sheriffs.

The ministry tracks the number of escape incidents from provincial adult correctional and young offender facilities or during transport by sheriffs. The ministry's business plan target is to have zero escape incidents from secure custody or during transport.

Performance Measure 3.c – Number of Escape Incidents From Secure Custody (within a Correctional Facility) or During Transport

In 2007-08, there were no escapes of offenders from the secure confines of a correctional facility. There was one attempted escape from sheriffs' custody at a courthouse. These results meet the business plan target of zero escapes and show an improvement on the previous year.

Figure 12
Number of Escape Incidents from Secure Custody or During Transport (number per year)
Source: Correctional Services Data

Goal 4 Offenders will have the opportunity to access rehabilitative services and programs

This business plan goal includes programs and services to prepare offenders for successful re-integration into the community, including participation in a variety of rehabilitative programs that offer assistance and opportunities to promote positive and productive behaviours. The goal also includes enhancing staff training to facilitate custody and community supervision of offenders.

Results for Goal 4 include the following areas of focus:

- providing rehabilitative services for offenders, including enhanced programming for youth in transition;
- improving offender health status; and
- enhancing training for staff supervision of offenders.

REHABILITATIVE SERVICES FOR OFFENDERS

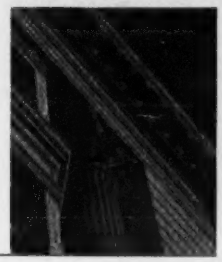
General programming offered at correctional centres, attendance centres and young offender centres includes educational upgrading, life skills, anger management, substance abuse awareness, spiritual support and work placements. All young offenders (both remanded and in custody) are required to attend school. Many adult offender education programs are delivered in the evening or on weekends, allowing offenders to be involved in work-related activities. These programs include academic upgrading (Grades 1-12) and employment training.

The ministry also provides specialized rehabilitation programming, including the Alsike impaired driving program, drug and alcohol awareness, chaplaincy services, psychological services and programs, and mental health services. The ministry has also retained Aboriginal Program Coordinators and Elders to provide cultural and spiritual programming for Aboriginal offenders at adult and young offender centres.

Some young offender centres offer additional programming for needy/high risk youth, including recreation and leisure, pastoral programs, crime prevention, violence prevention, positive self-awareness, behaviour management, conflict resolution, medical and mental health and reintegration services.

The ministry continues to review rehabilitation programs and services to ensure their relevance to a changing offender population. Some enhancements to rehabilitative programming in 2007-08 include:

- a review and evaluation of mental health services available to young offenders and the implementation of new mental health programs, including those for female young offenders and Aboriginal youth. These programs also support the recommendations from the Crime Reduction and Safe Communities Task Force (see Goal 2);
- continuation of partnerships with the Ministry of Advanced Education and Technology and seven Alberta colleges to deliver adult education programs to offenders at adult centres; and
- enhanced transition programming for youth involved in the criminal justice system continues as a priority, in collaboration with other ministries and service providers. Results for 2007-08 include enhanced young offender programming planning and delivery at the Youth Attendance Centres in Calgary and Edmonton. The ministry is also working with partners to facilitate educational opportunities for youth leaving custody and returning to the mainstream school system.



Some highlights regarding transition support programs for youth include:

- **Transition Programs for Young Offenders**
  Open-custody group homes for male young offenders in Edmonton (BRIDGES) and for female young offenders in Calgary (Excel Discovery) continued to offer specialized services aimed at decreasing criminal behaviours and substance abuse, and increasing pro-social behaviour. These programs are delivered in partnership with a multi-disciplinary team of health and social service providers.

Research has shown the criminal behaviour of adolescent females is often related to abuse and trauma suffered at home, whereas male adolescent criminal behaviour is linked to involvement with peers and activities.

In October 2007, the BRIDGES treatment program received a Bronze Award of Excellence for Quality from the Canada Awards for Excellence and the National Quality Institute.

In November 2007, the program received a Premier's Bronze Award of Excellence.

- **The Alberta Children and Youth Initiative (ACYI)**
  Solicitor General and Public Security partners in this cross-ministry initiative work to ensure provincial supports for youth in transition are comprehensive, integrated and effective. ACYI results for 2007-08 include the launch of Phase III of a prevention of bullying public awareness campaign and the development of a child and youth data laboratory to improve access to better information for research, analysis and decision-making. The ministry also collaborated on development of a provincial plan for addressing Fetal Alcohol Spectrum Disorder (FASD) and on enhanced case planning for young persons with FASD who are in conflict with the criminal justice system.

Phase II of the Prevention of Bullying public awareness campaign received a Premier's Gold Award of Excellence in November 2007.

The provincial plan for addressing FASD includes funding support for the development of three new FASD service networks, plus the enhancement of four existing networks. FASD networks include prevention programs; diagnostic and assessment services; coordination, advocacy and support; and collaboration with local stakeholders.

The ministry also contributes to numerous youth development initiatives, including programs for Aboriginal youth (see Goal 2) and support for the Alberta Mentoring Partnership Leadership Team.

IMPROVING OFFENDER HEALTH STATUS

Provincial correctional facilities provide a variety of health services for offenders including nursing care, general practitioner care, mental health care, methadone maintenance, emergency dental services and referral to specialist service providers. The offender population is presenting increasingly complex health issues, including infectious diseases, addictions, mental health issues and concurrent mental illness and addictions disorders.

From a public health perspective, correctional settings provide important opportunities to identify persons with infectious diseases and provide them with treatment to prevent future transmission of infection. Correctional settings also provide opportunities for assessment and treatment of mental illness, addictions and concurrent disorders. These services need to be continued once offenders are released and return to community-based health care.

The ministry has been working with Regional Health Authorities (RHAs), the Alberta Alcohol and Drug Abuse Commission (AADAC) and the Alberta Mental Health Board on the development of an integrated and collaborative approach to providing continuity of care to individuals in correctional centres and the community.

A provincial steering committee of key stakeholders has been established to strengthen relationships and focus on correctional health services and seamless continuity of care to inmates.

ENHANCED STAFF TRAINING

The ministry promotes enhanced training to equip staff to provide appropriate supervision to the changing offender populations. In 2007-08, the ministry continued to address staff strategic training and development needs and to facilitate the strategic alignment of existing training initiatives.

A total of 1,125 correctional services staff received training through the Solicitor General and Public Security Staff College in 2007-08.

Areas of focus for correctional services staff training included:

- provision of additional training opportunities to enhance staff knowledge of, and ability to appropriately respond to, youth with mental health issues;
- correctional peace officer learning and development; and
- development of an Employee Wellness and Engagement Program for the Correctional Services division.

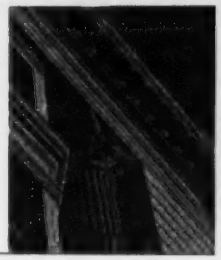
Specialized training offered to Correctional Services Division staff in 2007-08 included:

- *Induction training*
- *Probation Officer training*
- *Tactical training*
- *First Aid and CPR*
- *Information/skills training*
- *Workshop on stalking and threat management*
- *Capacity building for intensive rehabilitative custody and supervision (violence risk assessment tool for youth)*
- *Strategies for helping to reclaim youth at risk*
- *Motivational interviewing*

Correctional Services Division staff conferences and gatherings in 2007-08 included:

- *"Spring It On" Administrative Support Conference, April 2007*
- *"International Conference for Crime Reduction," May 2007*
- *"Achieving Excellence" Fifth Training Congress for Correctional Officers and Correctional Service Workers, May 2007*
- *"Fall Field Days" Probation Officers Conference and Retreat, September 2007*
- *"Leading With Excellence" Correctional Services Division Managers Conference, October 2007*
- *"Youth Forum with Martin Brokenleg" for Young Offenders Branch staff, January, 2008*
- *"Employee Wellness and Engagement Program" – Road to Wellness Workshops, January-March, 2008*

The ministry also provided a technical team member for a contract with the Canadian International Development Agency for juvenile justice reform in Ukraine. This staff member is providing advice on an integrated set of services, including rehabilitation and support, for youth at risk in Ukraine.



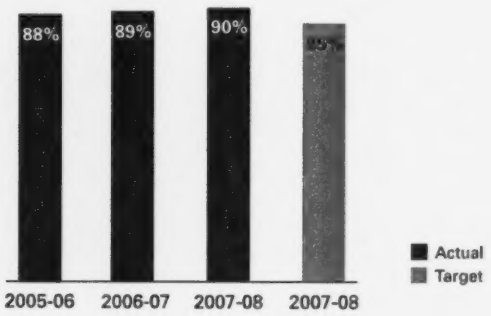
Performance Measure: Percentage of Incarcerated Offenders Involved in Programs

To ensure offenders are given appropriate opportunities to participate in rehabilitative programs, the ministry measures the percentage of offenders involved in work, education, treatment or life management programs.

Performance Measure 4.a – Percentage of Incarcerated Offenders Involved in Work, Education, Treatment or Life Management Programs

In 2007-08, 89.9 per cent of sentenced adult offenders and sentenced and remanded young offenders participated in these programs. This result is slightly higher than the result obtained in 2006-07 and exceeds the business plan target of 85 per cent.

Figure 13
Percentage of Incarcerated Offenders Involved in Work, Education, Treatment or Life Management Programs
Source: Correctional Services Data



Core Business Three

Protection Services for Officials, Facilities and Infrastructure

Core Business Three contributes to the safety of Albertans through the provision of security for government officials, property and operations. This includes court and legislative security and crisis management planning in co-ordination with other governments, industry partners and stakeholders.

Results for protection services in 2007-08 comprise the following areas of focus:

- protection for government officials, property and operations; and
- co-ordinated gathering and sharing of security information between industry, government, law enforcement and intelligence agency partners.

Actual expenditures of $43 million for Core Business Three were lower than the budget of $45.9 million by $2.9 million. The surplus was primarily due to the delay in recruitment and in purchasing of supplies and services for the Traffic Safety Program.

Compared to 2006-07, actual expenditures for security services increased by $19.2 million to $43.0 million. The increase of $18 million was due to recruitment of additional staff and associated supplies and services for traffic sheriffs, warrant apprehension and investigative support initiatives, as well as salary settlements and increments. The remainder was due to allocation of ministry support services, including the computer replacement and enhancement program and the Strategic Information Technology Initiative.

Table 6
Ministry 2007-08 Expenses for Core Business Three

($ millions)

	2006-07 Actual	2007-08 Budget	2007-08 Actual
Security Services	$23,751	$45,882	$42,963

Goal 5 Ensure the safety of Albertans by providing government security services and crisis management planning

This business plan goal encompasses protection services for elected officials, property and operations; co-ordinated gathering and sharing of security information; and management of counter-terrorism security information and crisis management programming as part of the security and emergency preparedness framework for the province. These services help to ensure the safety of Albertans and contribute to the province's capability to anticipate and respond to threats.

Results for Goal 5 include the following areas of focus:

- protection for elected officials, property and operations; and
- co-ordinated gathering and sharing of security information between industry, government, law enforcement and intelligence agency partners.

PROTECTION FOR GOVERNMENT OFFICIALS, PROPERTY AND OPERATIONS

In 2007-08, an enhanced security plan was implemented for the legislature and government grounds in Edmonton and Calgary.

Enhanced security measures are included in the new Calgary Courts Centre that opened in January 2008. This is the largest courthouse in Canada, housing both the Court of Queen's Bench and the Provincial Court of Alberta, and sets a new standard for courtroom technology.

The Calgary Courts Centre is a partnership between the Ministries of Justice and Attorney General, Infrastructure and Transportation, and Solicitor General and Public Security. Construction was funded by the provincial government. The facility was designed, built, and is operated by the private sector.

The centre's security features demonstrate government's commitment to providing a safe courthouse environment for the public, staff and offenders.

During the first four months of the Calgary Courts Centre operations, Alberta Sheriffs prevented more than 3,000 items, including knives and box-cutters, from entering the facility.

Critical Infrastructure Protection, Crisis Management and the Coordinated Gathering and Sharing of Security Information

Alberta Solicitor General and Public Security assumed responsibility for critical infrastructure protection and crisis management in 2007. Through the **Alberta Security and Strategic Intelligence Support Team** (ASSIST), the ministry provides dedicated resources to prevent and mitigate intentional threats and acts against Alberta's critical infrastructure.

ASSIST provides counter-terrorism, intelligence and crisis management planning in co-ordination with other government agencies, police, intelligence agencies, industry partners and stakeholders. The team gathers, analyzes and shares intelligence information with all of its partners regarding any threats to the province's critical infrastructure.

ASSIST is also responsible for managing the Alberta Counter-Terrorism Crisis Management Plan. Working closely with stakeholders, the plan was revised in 2007-08 to bring it in line with the changing realities of today's security environment and to reflect the incorporation of the crisis management function within Solicitor General and Public Security.

During the year, ASSIST built on key partnerships with critical infrastructure stakeholders, federal and provincial agencies as well as law enforcement and intelligence agencies. By using this group's understanding of potential threats and preparing for the unknown, security plans were put in place at all Alberta critical infrastructure facilities and value-added protection plans were added in the field of crisis management.

Performance Measure: Client Satisfaction

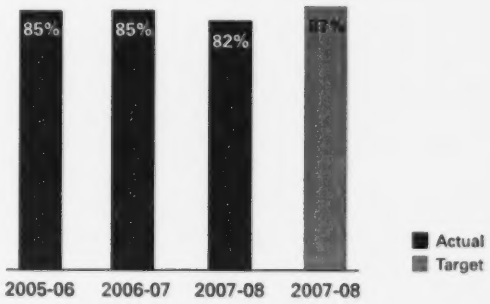
The impact of the ministry's crisis management planning activities is measured through a stakeholder satisfaction survey.

Performance Measure 5.a – Satisfaction with Services or Information from the Alberta Security & Strategic Intelligence Support Team (ASSIST, formerly SIM)

In 2007-08, 82 per cent of stakeholders were satisfied with the services or information they received from ASSIST. This result is three percentage points lower than last year and is five percentage points lower than the ministry's business plan target.

Figure 14
Satisfaction with Services or Information from the Alberta Security and Strategic Intelligence Support Team (percentage per year)

Source: Alberta Security and Strategic Intelligence Support Team (ASSIST) 2007 Client Satisfaction Survey. – Research Innovations Inc.



Core Business Four
Victims Programs and Services

Core Business Four contributes to the promotion of safe communities by providing programs and services for victims of crime. Solicitor General and Public Security provides financial benefits to eligible victims of crime, as well as funding and other supports for police-based and community-based services to address the needs of victims.

Results for victims' services in 2007-08 include the following areas of focus:

- provision of financial benefits for eligible victims of crime;
- support for victim service organizations;
- expanded access to victim services; and
- implementation of the *Victims of Crime Protocol.*

Actual expenditures of $19.6 million for Core Business Four exceeded the budget of $18.9 million by $0.7 million. The deficit was due to an increase in grants for victims programs and to financial benefits issued to victims of crime.

Compared to 2006-07, actual expenditures for Victims Programs and Services increased by $0.9 million to $19.6 million. The increase was primarily due to additional grants for victims programs offset by lower financial benefits payments.

Table 7
Ministry 2007-08 Expenses for Core Business Four
($ millions)

	2006-07 Actual	2007-08 Budget	2007-08 Actual
Victims' Programs and Services	$18,673	$18,901	$19,615

Goal 6 Victims of Crime will receive assistance, information and support

This business plan goal includes the provision of financial benefits, assistance and support to eligible victims, and assists police-based and community-based organizations to establish programs and services that meet the needs of victims of crime. The ministry oversees the administration of the *Victims of Crime Act*, including programs funded by the Victims of Crime Fund (VOCF). The VOCF is based primarily on federal and provincial fine surcharges.

Results for Goal 6 include the following areas of focus:

- provision of financial benefits for eligible victims of crime;
- support for victim service organizations;
- expanded access to victim services; and
- implementation of the *Victims of Crime Protocol.*

FINANCIAL BENEFITS FOR ELIGIBLE VICTIMS OF CRIME

Individuals who have incurred physical or emotional injury resulting from violent crime in Alberta may be eligible for one-time payments of financial benefits under the *Victims of Crime Act.*

Through the Financial Benefits Program, the ministry strives to provide prompt financial assistance to eligible victims of crime. In 2007-08, approximately 2,122 new applications for financial benefits were received. This represents an increase of six per cent compared to the previous year (2,007 applications in 2006-07). The total dollar amount of financial benefit awards in 2007-08 was $9,727,000.

The financial benefits program has experienced continual growth in volume since its inception in 1997. This is due to factors such as increased public awareness of the program and population growth.

SUPPORT FOR VICTIM SERVICE ORGANIZATIONS

The ministry works in partnership with police-based and community-based organizations to provide services to assist victims of crime. In 2007-08, there were 117 police-based victim service units (VSUs) across the province, as well as 24 community-based victim assistance programs and initiatives. Victims' services include intervention and support; information about cases and criminal justice proceedings; information about medical, legal and social service; referrals to other agencies; and courtroom orientation and accompaniment.

In 2007-08, the ministry provided approximately $5.5 million in grants from the VOCF to support more than 50 applications for victims' services, including police-based victim service programs, community-based specialized services for victims of crime, and research and education initiatives to benefit victims. Victim service organizations may receive VOCF funding for periods of up to three years. The total amount of VOCF grants awarded increased by more than $1 million compared to the previous year which represents a 23 per cent increase. Grant recipients included new victim service units (VSUs) in Jasper, the Siksika First Nation and Hobbema.

Victim service programs across Alberta provided assistance to nearly 62,000 people in 2007-08. This represents an increase of two per cent over the previous year (more than 60,000 people were served in 2006-07).

Victim assistance programs are run largely through the efforts of volunteer advocates and board members. During 2007-08, more than 8,000 volunteers contributed more than 202,000 hours to victim assistance programs in Alberta.

The ministry continues to work with victim service providers to build community capacity for effective service delivery and to enhance the accountability of victim service organizations. Capacity-building results for 2007-08 include the continued provision of training for victim advocates. As of January 2008, a total of 881 Albertans had become certified victim advocates. The Victim Advocate Training Manual, which won a Premier's Silver Award of Excellence in 2003, was reviewed and is being updated in 2008.

In 2007-08, the ministry delivered the first Advanced Training for Victim Services Co-ordinators. The training topics included children and vulnerable witnesses, victims of hate and bias crime, victims of human trafficking and victims of elder abuse. In addition, an Aboriginal Awareness curriculum for victim services co-ordinators was developed.

Accountability of victim service organizations was enhanced through a new performance measurement framework for victim service organizations. The framework was developed in consultation with police-based victim service units (VSUs) and implemented beginning in 2007-08. The ministry continues to provide training on use of the performance measurement framework to police-based VSUs across the province.

The new performance measurement framework for VSUs includes program objectives, outcomes and results.

The framework identifies five core outcomes that all VSUs must measure and report.

The performance measurement framework was implemented in police-based VSUs starting in 2007-08.

A similar performance measurement framework for community-based programs will be implemented starting in 2008-09.

A memorandum of understanding (MOU) was signed between the province and RCMP "K" Division to enhance accountability for provision of victim services. The MOU formalizes the partnership and articulates roles and responsibilities of each partner, facilitates communication and strategic planning, and enhances sharing of information, resources and training. Local MOUs between each RCMP detachment and the associated victim service unit were also signed.

The MOU between the Government of Alberta and the RCMP "K" Division clearly sets out roles and responsibilities.

The MOU:

- *formalizes the excellent partnership that already exists;*
- *contributes to the provision of innovative and compassionate service for victims of crime; and*
- *facilitates communication, strategic planning, and sharing of information, resources and training.*

"The RCMP is committed to co-locating victim services units within Alberta RCMP detachments and to overcoming any challenges that may stand in opposition of attaining this goal. This collaboration will ensure outstanding service to victims of crime and tragic events."

– Rod Knecht, Deputy Commissioner for North West Region and Commanding Officer for RCMP "K" Division

EXPANDED ACCESS TO VICTIM SERVICES

All Albertans now have access to a police-based victim service unit (VSU) and all police-based VSUs gained access to the Justice Online Information Network (JOIN) in 2007-08. The ministry continued to work with law enforcement and community partners to enhance access to victim services in Aboriginal and isolated communities and by victims of crime with specialized needs.

In 2007-08, Victims of Crime Fund (VOCF) grant funding supported new programs for victims of elder abuse, human trafficking and domestic violence.

Improving access to victim services in Aboriginal communities is a continuing priority for the ministry. In partnership with communities and the RCMP, VSUs were established at the Siksika First Nation and Hobbema in 2007-08. The ministry continued to support the delivery of victims' services in other Aboriginal communities throughout the province.

A protocol was developed to clarify relationship and referral processes between new Aboriginal VSUs and existing police-based VSUs or community-based initiatives. In addition, a proposal for further support was developed, including access to federal funding for underserved populations.

VICTIMS OF CRIME PROTOCOL

The *MLA Report of the Alberta Victims of Crime Consultation* (2002) outlined a 10-year vision to address the needs of victims in Alberta. The report's recommendations focus on increasing the responsiveness of the criminal justice system to victims of crime and ensuring that victims have access to services. The government accepted 37 of the 38 recommendations. As of March 2008, 25 of the report's recommendations have been successfully implemented including the *Victims of Crime Protocol.*

The *Victims of Crime Protocol* was developed with input from police, victim services, crown prosecutors, Court Services, Alberta Correctional Services, community agencies that serve victims, judges, sheriffs, the Office of the Medical Examiner, and military police. The Correctional Service of Canada and the National Parole Board also reviewed drafts and provided their input.

The *Protocol* booklet was released to the public in April 2007 and outlines what victims can expect throughout the criminal justice process. It is a step-by-step guide to help victims through the criminal justice system and is the first of its kind in Canada. The *Victims of Crime Protocol* addresses several recommendations from the *MLA Report of the Alberta Victims of Crime Consultation.* It helps to improve victims' access to the justice system and reflects the government's commitment to treat victims of crime with courtesy, respect and compassion. The *Protocol* helps ensure victims have timely information, and that victims' programs and services are better co-ordinated.

The *Victims of Crime Protocol Booklet* is available from the ministry website: www.solgps.alberta.ca

In response to the province's growing immigrant and refugee communities, the *Victims of Crime Protocol Booklet* is provided in 11 different languages. These booklets are available at victim service units across the province and can also be found on the ministry's website: www.solgps.alberta.ca

In addition to English and French, the Victims of Crime Protocol Booklet *is available in nine additional languages:*

- *Spanish*
- *Kurdish*
- *Kiswahili*
- *Punjabi*
- *Amharic*
- *Vietnamese*
- *Tigrigna*
- *Arabic*
- *Somali*

Translation was provided by the Multicultural Health Brokers Co-op, supported by a grant from the Victims of Crime Fund.

The Victims of Crime Protocol *was showcased at the World Society of Victimology conference in Dubrovnik, Croatia in May 2007.*

The response from the international audience was positive and enthusiastic. The protocol was described as "...a very sophisticated tool for victims".

During 2007-08, the ministry delivered training workshops on the *Victims of Crime Protocol* in 12 communities across the province. Almost 900 people attended these workshops, including representatives from police services, police-based and community victim assistance programs, court services, crown prosecutors, youth justice committees and other criminal justice stakeholders.

Development and implementation of the *Victims of Crime Protocol* has resulted in greater collaboration between Solicitor General and Public Security and other ministries. This, in turn, has improved access to financial support and services for victims.

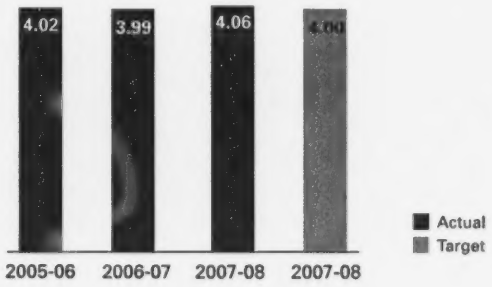
Performance Measure: Client Satisfaction

Individuals applying for financial benefits are asked to complete a survey rating their satisfaction with the overall service provided to them by employees and volunteers in the criminal justice system. The scale ranges from one (very dissatisfied) to five (very satisfied).

Performance Measure 6.a – Satisfaction with Services Provided by Employees and Volunteers within the Criminal Justice System

In 2007-08, victim services clients reported an overall satisfaction rate of 4.06. This exceeds last year's and the ministry's business plan target.

Figure 15
Satisfaction with Services Provided by Employees and Volunteers within the Criminal Justice System (rate based on a five-point scale)
Source: Public Security Division data



Core Business Five

Alberta's Liquor and Gaming Industries Operate with Integrity and in a Socially Responsible Manner

Core Business Five ensures that gaming and liquor activities are conducted effectively, with integrity, and in a socially responsible manner. The ministry also endeavours to maximize the economic benefits of gaming and liquor activities in the province for the benefit of Albertans.

The Alberta Lottery Fund was established in 1989 and is an important part of Alberta's unique and innovative gaming model. It comprises the government's portion of revenues from provincial lotteries (ticket lotteries, slot machines, video lottery terminals, electronic bingo, and Keno). Expenditures from the fund are approved by the Legislature annually and support many programs, projects and foundations.

The Alberta Gaming and Liquor Commission (AGLC) administers the Alberta Lottery Fund and various government ministries deliver lottery-funded programs. In 2007-08, more than $1.6 billion of gaming proceeds was provided to thousands of volunteer, public and community-based initiatives through the Alberta Lottery Fund.

Results for Core Business Five include the following areas of focus:

- ensuring Alberta's privatized liquor industry operates with integrity;
- promoting social responsibility through the development, implementation and evaluation of staff training programs and responsible drinking initiatives;
- ensuring Alberta's gaming industry operates with integrity while offering quality gaming entertainment choice to Albertans;
- providing economic benefits to charities through the Alberta Lottery Fund and charitable gaming events; and
- promoting social responsibility through the development, implementation and evaluation of responsible gambling initiatives.

In 2007-08, liquor-related net revenue was $678 million, compared to $658 million in 2006-07. Liquor-related net revenue forms part of government's general revenues and is used to fund core government programs.

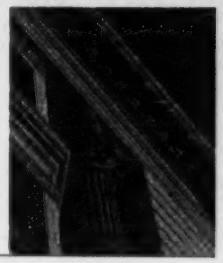
Gaming-related net revenue was $1.61 billion in 2007-08, compared to $1.53 billion the previous year. These revenues are directed to the Alberta Lottery Fund as required by the *Gaming and Liquor Act.*

The AGLC bears the costs of regulating, operating and managing the liquor and gaming industries, as well as the costs of social responsibility activities related to liquor and gaming. These costs are reflected in the AGLC's financial statements.

The ministry operating expenses allocated to support this core business were $1.6 billion in 2007-08 and relate to gaming research and lottery fund transfers to other ministries.

Table 8
Ministry 2007-08 Expenses for Core Business Five
($ millions)

	2006-07 Actual	2007-08 Budget	2007-08 Actual
Gaming-related net revenue	$1,534	$1,448	$1,615
Liquor-related net revenue	$658	$642	$678
Expenses incurred by the core business	$1,549	$1,454	$1,632



The administration of the Alberta Lottery Fund includes the collection and disbursement of gaming proceeds as directed by the Legislature. Aimed at benefiting Alberta communities, the Alberta Lottery Fund supports programs, projects and foundations administered by 13 provincial ministries. Many Alberta communities have used lottery funds to help revitalize their community and enhance residents' quality of life. Albertans living in smaller centres now have many of the same opportunities available in larger centres.

The ministry provided almost $1.6 million to support gaming research in Alberta. The Alberta Gaming Research Institute, a consortium of the Universities of Alberta, Calgary and Lethbridge and a recognized leader in gaming research, was provided with $1.5 million in 2007-08. Further information about the institute, its sponsored research and electronic library of gaming research is available at www.abgaminginstitute.ualberta.ca.

In 2007-08, Alberta Lottery Fund net revenue totalled $1.63 billion, compared to $1.55 billion in 2006-07. This increase reflects increased gaming revenues and higher interest income. The details of how lottery funds were used by other ministries are outlined in their respective annual reports.

Table 9
Alberta Lottery Fund Revenue
($ millions)

	2006-07 Actual	2007-08 Budget	2007-08 Actual
Alberta Lottery Fund Net Revenue	$1,549	$1,454	$1,632

Goal 7 Alberta's liquor industry operates with integrity, remains progressive and benefits Albertans

The Alberta Gaming and Liquor Commission (AGLC) regulates the liquor industry through the provisions of the *Gaming and Liquor Act* and regulation. It ensures Alberta's liquor industry operates in a socially responsible manner and partners with the Alberta Alcohol and Drug Abuse Commission (AADAC) and other government departments, industry, and other stakeholders to promote the responsible sale and consumption of liquor and to reduce alcohol-related harm.

The AGLC also ensures Alberta's liquor industry continues to be among the most progressive and competitive in the country and leads the nation in terms of supply, distribution, pricing and customer service. Since 1993, Alberta has developed a unique, privatized model for the liquor industry – the only one of its kind in Canada. Through this evolving model, Albertans can choose from a wide variety of available liquor products and convenient store hours and locations.

As of March 31, 2008, Alberta's privatized liquor industry had 1,187 stores offering over 14,411 different liquor products. The private sector provides the supply and operates the warehousing, distribution and retailing of liquor in Alberta. The AGLC licenses and regulates the industry. The province received more than $678 million in 2007-08 from the mark-up on liquor products sold in Alberta.

Results for Goal 7 include the following areas of focus:

- ensuring Alberta's privatized liquor industry operates with integrity; and
- promoting social responsibility through the development, implementation and evaluation of staff training programs and responsible drinking initiatives.

Table 10
Alberta's Liquor Industry: Before and After Privatization

	March 31, 1993	March 31, 2006	March 31, 2007	March 31, 2008
Number of retail outlets	304	1,121	1,144	1,187
Number of products	3,324	12,965	13,455	14,411

INTEGRITY OF ALBERTA'S PRIVATIZED LIQUOR INDUSTRY

To maintain the integrity of the liquor industry and ensure that licensees comply with legislation, regulation and policies, the AGLC conducted 27,195 regular inspections of liquor establishments in 2007-08. The vast majority of licensees met the requirement for compliance (see Performance Measure 7b).

PROMOTING SOCIAL RESPONSIBILITY

In partnership with industry and other stakeholders, the AGLC has launched a number of programs to promote social responsibility and reduce violence in and around licensed premises. The following programs were introduced in 2007-08:

- **ProTect: Security Staff Training**
  Reducing violence and increasing safety are the goals of *ProTect*, a training program launched by the AGLC for security staff working at Alberta's bars, nightclubs and other licensed establishments. ProTect Security Staff Training is specifically designed for workers responsible for monitoring and controlling the entrance to and line-ups outside of licensed premises; requesting proper proof of age from patrons before allowing entry into an establishment; monitoring activities of patrons while in the establishment; controlling crowds; and intervening to prevent aggressive actions.

By January 1, 2009, all individuals who work in a security position or manage/supervise security staff in bars and nightclubs must successfully complete the ProTect Security Staff Training.

- **Cage Your Rage:**
  A Campaign to Reduce Bar Violence
  The *Cage Your Rage* campaign was launched by the AGLC in June 2007. It consisted of radio and movie theatre advertisements, posters in bar restrooms and liquor stores, and advertisements in the back seats of taxi cabs. The campaign aims to discourage young men (between the ages of 18 and 24) from fighting when drinking at bars and nightclubs. The campaign was part of the AGLC's broader plan to work with AADAC, other partners and experts to address drinking behaviours that may contribute to violent situations and to encourage a culture of drinking in moderation.

Performance Measure: Satisfaction with Conduct of the Liquor Business

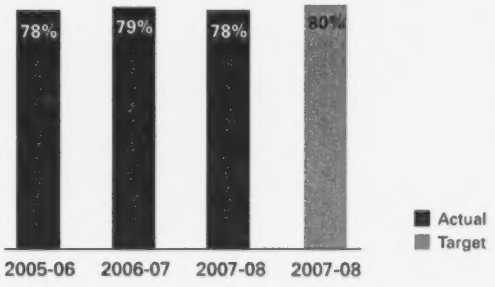
This measure assesses whether or not Albertans are satisfied that the liquor business in Alberta operates with integrity and accountability. A high satisfaction rate with the conduct of the liquor business provides an indication that policies and legislation are meeting Albertans' expectations.

Performance Measure 7.a – Percentage of Albertans Satisfied with the Conduct of the Liquor Business in Alberta

When asked to rate overall satisfaction with the way the liquor business is conducted in Alberta, 78 per cent of Albertans surveyed in 2007-08 indicated they were satisfied. This is a decrease of one percentage point compared to last year and remains slightly below the target of 80 per cent. However, the results show stability over time and suggest that the majority of Albertans continue to be satisfied with the conduct of the liquor business in Alberta over the long-term.

Figure 16
Satisfaction with the Conduct of the Liquor Business (percentage per year)

Source: 2008 AGLC Public Opinion Survey – Leger Marketing.



Performance Measure: Liquor Licensee Compliance with Legislation, Regulations and Policy

To ensure compliance with provincial laws, the AGLC conducts a variety of regulatory activities, such as inspections, investigations and audits.

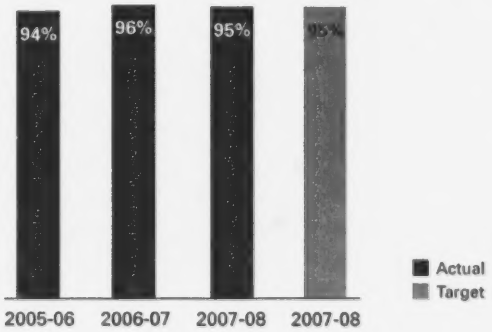
Performance Measure 7.b – Percentage of Liquor Licensees Who Comply with Legislation, Regulations and Policy

In 2007-08, the AGLC conducted 27,195 inspections, resulting in 353 liquor licensees being issued a penalty, compared to 2006-07, in which 26,405 inspections were conducted and 286 penalties were issued. Based on the average number of licences during the year, the vast majority of licensees – 95 per cent – met the requirements for compliance.

Although this is the first time this measure is being reported in the Solicitor General and Public Security Annual Report, the AGLC has been collecting comparable data for a number of years and is thus able to report on prior years' results.

Figure 17
Percentage of Liquor Licensees Who Comply with Legislation, Regulations and Policy (percentage per year)

Source: AGLC Regulatory Integrity Compliance and Education (RICE) system.



Notes:
- Licensees consist of five different classes of liquor licensees, as well as registrants and special event licensees.
- In 2007-08, 84 per cent of all licensees were inspected. In 2006-07, 74 per cent of licensees were inspected. In 2005-06, 72 per cent of all licensees were inspected.
- Cautions (verbal warnings) are not included in the results.

Performance Measure: Satisfaction that Liquor is Provided in a Responsible Manner

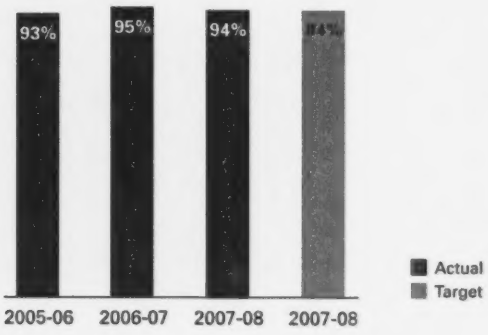
The AGLC encourages the responsible sale and consumption of liquor. In order to determine how satisfied Albertans are with the responsible provision of liquor, public satisfaction is measured through an annual survey of a representative sample of Albertans.

Performance Measure 7.c – Percentage of Albertans Satisfied that Liquor is Provided in a Responsible Manner

Ninety-four per cent of respondents were "very satisfied," "satisfied," or "somewhat satisfied" that liquor is provided in a responsible manner, meeting the target of 94 per cent. These results are consistent with results obtained in previous years.

Although this is the first time this measure is being reported in the Ministry of Solicitor General and Public Security annual report, the AGLC has been collecting comparable data for a number of years and is thus able to report on prior years' results.

Figure 18
Percentage of Albertans Satisfied that Liquor is Provided in a Responsible Manner (percentage per year)
Source: 2008 AGLC Public Opinion Survey – Leger Marketing.



Goal 8 Alberta's gaming industry operates with integrity, social responsibility and benefits Albertans

The AGLC ensures Alberta's gaming industry operates with integrity while offering quality gaming entertainment choices to Albertans and providing economic benefits to charities. Regulation of the gaming industry is ensured through the provisions of the *Gaming and Liquor Act* and Regulation.

The AGLC ensures the gaming industry operates in a socially responsible manner and partners with AADAC and other stakeholders to develop, implement and evaluate programs and initiatives that promote responsible gaming and increase awareness of problem gambling treatment programs. The Alberta Lottery Fund provides funding to various aspects of gaming research.

Gaming activities contribute to Albertans' quality of life by providing opportunities for charitable groups to raise funds directly for their valuable work, by providing entertainment options to adults in Alberta and by providing funding used by government to support community and volunteer initiatives.

Results for Goal 8 include the following areas of focus:

- ensuring Alberta's gaming industry operates with integrity while offering quality gaming entertainment choice to Albertans;
- providing economic benefits to charities through the Alberta Lottery Fund and charitable gaming events; and
- promoting social responsibility through the development, implementation and evaluation of responsible gambling initiatives.

GAMING INDUSTRY INTEGRITY

The integrity of gaming activities in the province is ensured through regulatory activities that include licensing and inspections of licensed facilities and gaming activities, investigations into criminal activities and forensic audits. In 2007-08, the AGLC conducted 4,888 regular inspections of licensed gaming facilities and events. Almost all activities inspected were found to be in compliance (see Performance Measure 8a).

In addition, a special Gaming Investigation Team comprising AGLC investigators, police services and government ministries focuses on illegal gaming activities such as bookmaking, illegal gaming machines and money laundering.

Three new First Nation casinos and one traditional casino opened in 2007-08. A portion of the proceeds from First Nation casino events are used to support charitable and religious purposes in the Host First Nation community. A portion of the proceeds from traditional casino events are used to support the charitable and religious activities of the charities conducting casino events at that facility. Three proposed First Nation casinos are in the final stages of the province's rigorous eight-step casino facility licensing process.

The AGLC works closely with organizations that are planning new facilities to ensure the continued integrity of the gaming industry. The licensing process ensures that growth is carefully managed and controlled. Applicants must have a detailed business plan and must also demonstrate that they have considered community impacts. The status of current applications can be found at the AGLC website: www.aglc.gov.ab.ca.

ECONOMIC BENEFITS TO CHARITIES

Alberta's unique charitable gaming model provides opportunities for charitable and religious groups to benefit financially from gaming activities. By conducting bingos and casinos, selling pull-tickets and holding raffles, charitable and religious organizations raised approximately $325 million from charitable gaming activities in 2007-08 (also see Performance Measure 8d).

PROMOTING SOCIAL RESPONSIBILITY THROUGH RESPONSIBLE GAMBLING INITIATIVES

In partnership with industry and other stakeholders, the AGLC has launched a number of programs that promote responsible gambling. The following achievements were reached in 2007-08:

- **Responsible Gambling Awareness Week**
  "Always! Set a limit. Stay within it." was the theme for Alberta's first Responsible Gambling Awareness week held in October 2007. In partnership with AADAC, the AGLC provides awareness and intervention training for gambling operators and retailers. Responsibility in the gambling industry is shared among individuals, the government and industry. Responsible Gambling Awareness week is one way to recognize and encourage this co-operative effort.
- **Responsible Gambling Information Centres**
  The AGLC, in partnership with AADAC, opened five Responsible Gambling Information Centres (RGICs) in 2007-08. The centres provide on-site access to information on responsible gambling and support for problem gambling. They are part of the province's comprehensive approach to providing support and services for Albertans dealing with issues related to problem gambling. They also serve as entry points for patrons to receive AADAC support and services. Eight RGICs currently operate in Alberta. Additionally, the first Responsible Gambling Information Terminal, (Player Awareness Terminal or PAT), was successfully tested in 2007-08. PATs will be installed in all RGICs in 2008-09.

Performance Measure: Compliance with Legislation, Regulation and Policy

To ensure compliance with provincial laws, the AGLC conducts a variety of regulatory activities, including inspections, investigations and audits. The compliance of charitable gaming activities is measured by the number of inspections resulting in penalties generated as a result of AGLC inspections of licensed gaming facilities and events. Inspection types and frequencies differ for different kinds of charitable gaming activities and consist of operational, maintenance and site visits.

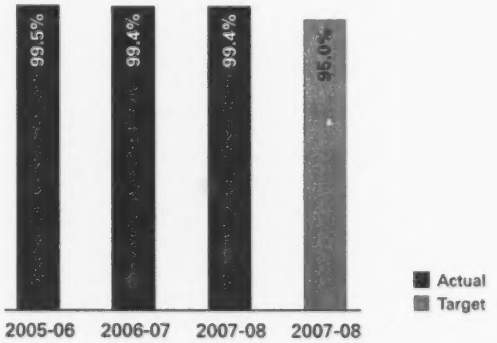
Performance Measure 8.a – Percentage of Charitable Gaming Activities that are Conducted in Accordance with Legislation, Regulation and Policy

Charitable gaming inspections totalled 4,888 in 2007-08. Thirty-one inspections resulted in penalties, representing approximately 0.6 per cent of the total number of inspections. In nearly all cases, inspectors found charitable gaming activities to be in compliance with legislation and policy. This is a significant achievement, particularly given the large number of inspections conducted and the number of volunteers involved in gaming activities.

Although this is the first time this measure is being reported in the Solicitor General and Public Security annual report, the AGLC has been collecting comparable data for a number of years and is thus able to report on prior years' results.

Figure 19
Percentage of Charitable Gaming Activities Conducted in Accordance with Legislation, Regulation and Policy

Source: AGLC Regulatory Integrity Compliance and Education (RICE) system.



Performance Measure:
Satisfaction that Gaming Activities are Provided Fairly and in a Responsible Manner

It is important that gaming activities in Alberta are conducted with integrity. This performance measure addresses integrity in the gaming industry by determining the percentage of Albertans who are satisfied with the fairness and level of responsibility with which gaming activities are provided.

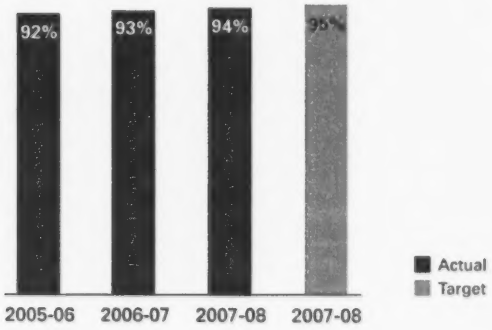
Performance Measure 8.b – Percentage of Albertans Satisfied that the Gaming Activity They Participated in was Provided Fairly and in a Responsible Manner

Ninety-four per cent of respondents were "very satisfied," "satisfied," or "somewhat satisfied" the gaming activity they participated in was provided fairly and in a responsible manner. While the result does not meet the business plan target of 95 per cent, an achievement of 94 per cent is noteworthy, particularly since results for this measure show an increase over time.

Although this is the first time this measure is being reported in the Solicitor General and Public Security annual report, the AGLC has been collecting comparable data for a number of years and is thus able to report on prior years' results.

Figure 20
Percentage of Albertans Satisfied that Gaming was Provided Fairly and in a Responsible Manner

Source: 2008 AGLC Public Opinion Survey – Leger Marketing.



Performance Measure:
Revenues Directed to the Alberta Lottery Fund

The ministry ensures Alberta communities benefit from the Alberta Lottery Fund. Many Albertans have used lottery funds to help revitalize their community and enhance their quality of life. The AGLC is responsible for the administration of the Alberta Lottery Fund, including the collection and disbursement of gaming proceeds as directed by the Legislature. The Alberta Lottery Fund supports programs, projects and foundations administered by 13 provincial departments.

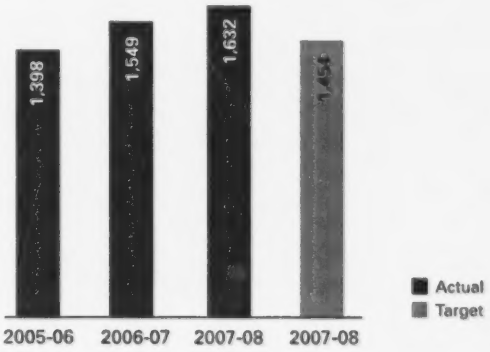
Performance Measure 8.c – Dollars Distributed Annually to the Alberta Lottery Fund ($ millions)

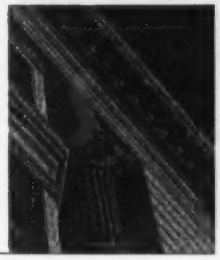
In 2007-08, the Alberta Lottery Fund had proceeds of $1.63 billion, compared to $1.55 billion in 2006-07. This exceeds the business plan target of $1.45 billion.

Although this is the first time this measure is being reported in the Solicitor General and Public Security annual report, the AGLC has been collecting comparable data for a number of years and is thus able to report on prior years' results.

Figure 21
Dollars Distributed Annually to the Alberta Lottery Fund ($ millions)

Source: Alberta Lottery Fund Financial Statements.





Performance Measure:
Charitable Gaming Benefits Alberta Charities

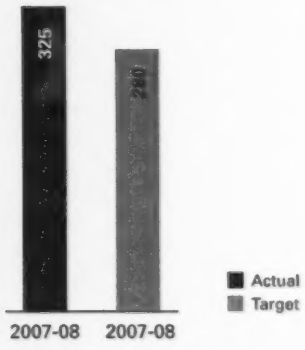
This measure is intended to ensure that charitable and religious organizations continue to benefit financially from charitable gaming activities conducted under Alberta's unique charitable gaming model. Charitable gaming activities include casino table games, pull-ticket sales, raffles and bingo events.

Performance Measure 8.d – Charitable Gaming Revenue Earned by Charities

In 2007-08, charitable and religious groups earned $325 million from licensed gaming activities. This exceeds the business plan target of $280 million. This is the first time this measure is being reported in the Solicitor General and Public Security annual report.

Figure 22
Charitable Gaming Revenue Earned by Charities
($ millions)

Source: AGLC, Administrative Data



Notes:
Charitable gaming revenue earned by charities includes:

- 2007-08 data for:
  - bingos conducted at licensed bingo facilities;
  - casinos; and
  - raffles with gross sales under $10,000.
- 2006-07 data for:
  - community bingos (does not include community bingos with gross sales under $2,500);
  - pull-tickets; and
  - raffles with gross sales over $10,000.

Criminal Code Reporting – Required Reports

The *Criminal Code* requires the Solicitor General and Minister of Public Security of Alberta to report annually on the following parts of the act.

CRIMINAL CODE S. 25.3 – ORGANIZED CRIME AND LAW ENFORCEMENT – DESIGNATIONS

Section 25.3 of the *Criminal Code* provides a limited justification for otherwise illegal acts and omissions by law enforcement officers, and others acting at their discretion. An essential condition is that it can apply only to officers designated by a competent authority. In the case of municipal police services, the Solicitor General and Minister of Public Security is the competent authority.

The competent authority is responsible for publishing an annual report on the designations and authorizations provided under subsections 24.1 to 25.4 of the *Criminal Code*. This report shall include information on the amount and nature of the acts or omissions committed by those officers designated under this legislation.

Alberta began designating officers under this legislation in March, 2003. Although some municipal police services have officers designated, they reported **no use of the designation during 2007**.

CRIMINAL CODE S. 83.3(3) – ANTI-TERRORISM – ARRESTS WITHOUT WARRANT

Anti-Terrorism Act

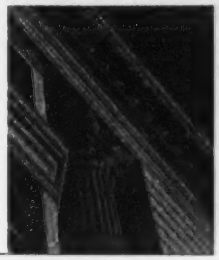
In accordance with subsection 83.3(4) of the *Criminal Code*, a peace officer who suspects on reasonable grounds that the detention of a person is necessary to prevent a terrorist activity, may arrest the person without a warrant.

Pursuant to subsection 83.31(3) of the *Criminal Code*, the minister responsible for policing in every province shall publish or otherwise make available to the public an annual report for the previous year on the operation of subsection 83.3 of the *Criminal Code* that includes:

a) the number of arrests without warrant that were made under subsection 83.3(4) and the period of the arrested person's detention in custody in each case; and

b) the number of cases in which a person was arrested without warrant under subsection 83.3(4) and was released.

Information has been received from all police services in Alberta indicating that no arrests were made under this subsection in the previous year, therefore, the report for **2007 is nil**.



Performance Measures Methodology

Goal 1 Provide leadership in law enforcement to promote safe communities

Performance Measure 1.a – Victimization Rate

Alberta Solicitor General and Public Security, in partnership with Alberta Justice and Attorney General, commissions an annual survey to determine the public's opinion of the justice system. The public opinion survey is conducted by telephone by a professional survey firm. The 41-question survey combines questions that have been asked in previous years with questions seeking greater specificity about victimization, reporting crimes to police and profile questions. The survey was conducted between January-March 2008. The sample size was increased from 750 in previous years to 1,200 which provided a margin of error in the results no greater than +/- 2.8 per cent at the 95 per cent confidence level.

The survey was completed on a computer-assisted telephone interviewing system, allowing for ongoing tabulation of results by professionally trained interviewers. Ten per cent of all interviews were monitored online.

The sample consists of a random and representative percentage of adult Albertans. For each of six geographic regions of the province, the number of interviews in each age-gender segment was proportionate to their representation in 2006 population estimates, based on Statistics Canada 2006 Census data.

This measure is based on responses to a question where respondents are read specific descriptions of a number of crimes and for each they are asked if they have been a victim of that crime in the past year.

When prompted with specific crimes, some respondents acknowledged having been victimized even though they earlier had said they were not victims. There were 456 respondents among the 1,200 Albertans interviewed who said that they had been a victim of a crime when prompted.

Performance Measure 1.b – Crime Rate: Property Crime

Crime statistics are collected using the Uniform Crime Reporting Survey which is a common survey instrument used to measure police-reported crime in each Canadian jurisdiction. Population data from Statistics Canada is used to convert reported crime into crime rates per 100,000 population. Previous year crime rates are revised annually by the Canadian Centre for Justice Statistics (CCJS) based on population count estimates.

In 2007, it was decided to return to a five-year comparison between Alberta and Canada (2003-2007) rather than a comparison between the four western provinces. The rationale for returning to the national rate for the target change is as follows:

- Alberta has consistently had the lowest crime rates of the four western provinces for the past five years. On the other hand, the national rate has been consistently lower than Alberta's for the same period.
- The ministry determined that a change to a comparison to the national rate would give Alberta a stretch target and encourage program development and service delivery that may result in lowering Alberta's crime rate.
- Comparisons with the national rate would also support sustained and targeted efforts in dealing with serious and organized crime.

"Crime" is defined as the total number of *Criminal Code* incidents as reported by police. "Property crime" includes unlawful acts committed with the intent of gaining property, but not involving the use or threat of violence against an individual. Theft, breaking and entering, fraud and possession of stolen goods are examples of property crime.

Performance Measure 1.c – Crime Rate: Violent Crime

Crime statistics are collected using the Uniform Crime Reporting Survey as described under Performance Measure 1b. "Violent crime" includes offences that deal with the application or threat of application of force to a person. These include murder, attempted murder, various forms of sexual and non-sexual assault, robbery and abduction. Violent crime does not include traffic incidents that result in death or bodily harm. Likewise, with the 2007-08 property crime performance measure the performance measure for violent crime is a five-year comparison between Alberta and Canada (2003-2007).

Goal 2 Crime prevention and community safety programs are in place to promote safe Alberta communities.

Performance Measure 2.a – Public Perception of Safety in the Home

The methodology for this measure is as described under Performance Measure 1a.

This measure is based on responses to the following question:

How safe do you feel from crime when you are in your own home after dark?

- very safe
- reasonably safe
- somewhat unsafe
- very unsafe
- don't know

Results reported for this measure include those indicating they feel "very safe" and "reasonably safe."

Performance Measure 2.b – Public Perception of Safety in the Neighbourhood

The methodology for this measure is as described under Performance Measure 1a.

This measure is based on responses to the following question:

How safe from crime do you feel walking alone in your area after dark?

- very safe
- reasonably safe
- somewhat unsafe
- very unsafe
- don't know

Results reported for this measure include those indicating they feel "very safe" and "reasonably safe."

Goal 3 Secure and efficient custody and community supervision

Performance Measure 3.a – Successful Completion of Temporary Absence Supervision

Data on temporary absences granted and temporary absences suspended due to re-offence is stored in the Correctional Management Information System (CoMIS), a mainframe system that provides information about offenders housed in provincial correctional centres. CoMIS data includes offender demographics, admissions, movements, charges and releases. It provides the ministry with a database of operational and statistical information. Each month, a data extract is produced from CoMIS for research purposes.

At the end of each month, the following reports are produced from the CoMIS data:

- the number of temporary absences granted for the month;
- the number of temporary absences granted for the fiscal year to date;
- the number of temporary absences suspended due to re-offence during the month; and
- the number of temporary absences suspended due to re-offence for the fiscal year to date.

At the end of the last month of the fiscal year, four reports are produced from the CoMIS data:

- the number of temporary absences granted for the month;
- the total number of temporary absences granted for the entire fiscal year;
- the number of temporary absences suspended due to re-offence during the month; and
- all temporary absences suspended due to re-offence during the year.

The percentage of successful temporary absence completions is calculated as follows:

- a research officer reconciles the monthly reports (temporary absences granted and temporary absences suspended due to re-offence for the month) to the year-to-date reports (temporary absences granted and temporary absences suspended due to re-offence for the year to date); and
- the research officer then subtracts the number of temporary absences suspended due to re-offence from the number of temporary absences granted and divides the result by the total number of temporary absences granted.

A monthly report is prepared and circulated for senior management information. An annual report is also produced. For reporting purposes, the data extract is approximated through rounding.

Performance Measure 3.b – Per Diem Cost for Housing Adult Offenders in a Correctional Facility

This measure is calculated to conform with reporting instructions provided by the Canadian Centre for Justice Statistics (CCJS). CCJS reporting instructions include actual costs charged to correctional services' budget and make Alberta results comparable to those from other Canadian jurisdictions.

The per diem cost is calculated by dividing the actual costs directly charged to correctional services' budget for custody of offenders at government-operated adult remand centres, correctional centres and associated camps by the number of total days stay.

The number of total days stay is calculated by multiplying the average daily adult custody population by 365 days.

The average daily adult custody population, including adult intermittent servers, is based on population statistics from the Corrections Management Information System (CoMIS). This is an aggregate daily calculation.

Actual costs are those charged to the Ministry of Solicitor General and Public Security Correctional Services division budget. These costs include personnel and general supplies for offenders such as food and clothing and services for offenders, such as Elders, chaplains, dentists, doctors and laundry.

Costs exclude those incurred by other ministries (Infrastructure, Municipal Affairs, Education and Advanced Education and Technology) and costs not directly associated with running government-operated adult correctional centres, such as community corrections, head office or costs for purchased community services (e.g., community supervision).

The per diem cost per offender is directly proportional to the number and cost of staff required to run provincial correctional and remand facilities and is inversely proportional to the number of offenders in custody. This measure is also influenced by the cost of food, medical services and other services and programs.

Performance Measure 3.c – Number of Escape Incidents from Secure Custody (within a correctional facility) or During Transport

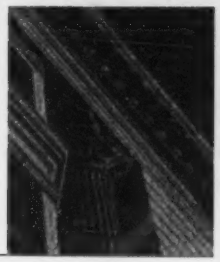
All adult correctional centres and young offender centres report the number of escapes from secure custody on Monthly Offender Activity Reports. These reports are forwarded to head office.

To be counted as an "escape from secure custody," the escape must meet all of the requirements for a prison breach as described in the *Criminal Code of Canada.* Offenders who walk away from minimum-security settings such as work camps and group homes, or who fail to return from a period of temporary absence, are not counted as escapes from secure custody.

When a centre reports an escape from secure custody, a head office investigation verifies that the reported escape is an escape from within the secure confines of a correctional centre. The investigation also determines the circumstances of the incident.

If an escape incident occurs when transporting an offender, staff involved in the transport prepare an incident report. This incident report is submitted to management. If police become involved in apprehending the offender, a police report is prepared as well.

Management conducts investigations into all escape incidents and takes further action as needed.



Goal 4 Offenders will have the opportunity to access rehabilitative services and programs

Performance Measure 4.a – Percentage of Incarcerated Offenders Involved in Work, Education, Treatment or Life Management Programs

This measure is calculated by dividing the estimated average daily number of sentenced adult offenders and sentenced and remanded young offenders involved in work, education, treatment or life management programs by the average daily population of eligible offenders. Remanded adult inmates are not included because they have not been found guilty of an offence and are not required to participate in activities.

Staff in each correctional centre calculate a monthly average number of offenders involved in work, education, treatment, or life management programs and enter this information on a Monthly Offender Activity Report which is forwarded to head office. These reports are compiled for all correctional centres in the province.

Average population statistics for correctional centres are produced using CoMIS (see Performance Measure 3a). Head office uses the data from the Monthly Offender Activity Reports and the average population statistics from CoMIS to calculate the results for this measure on a monthly basis.

Goal 5 Ensure the safety of Albertans by providing government security services and crisis management planning

Performance Measure 5.a – Satisfaction with Services or Information from the Alberta Security and Strategic Intelligence Support Team (ASSIST)

Data for this measure are obtained from a client satisfaction survey conducted by a professional survey firm. The survey uses a combination of telephone and online data collection methods and was last conducted in May and June, 2008.

The sample is developed from lists of clients provided by Alberta Solicitor General and Public Security. Duplicate names are removed from the various lists prior to conducting the survey. A total of 346 clients participated in the survey in 2007-08. The survey methodology involved a census approach, therefore there is no calculation for confidence levels.

If clients had e-mail addresses, they were initially contacted by e-mail. Clients with no e-mail address were initially contacted by telephone. To promote a high response rate, all interviews were conducted at a time and using a means (online versus telephone) preferred by the client.

If contacted by e-mail, clients were sent a link to the survey website, along with a confidential personal identification number for entering the survey website. Clients participating online at the website entered their responses directly into the data file.

Professionally-trained interviewers conducted all telephone interviews from a central telephone facility. In these cases, the telephone interviewers entered the data into the data file.

Results for this measure are based on client responses to the following question:

When thinking about all the information and services that you received from ASSIST in the past 12 months, overall, how satisfied are you with information and services from ASSIST?

- very satisfied
- somewhat satisfied
- neutral
- somewhat dissatisfied
- very dissatisfied

Responses in the "very satisfied" and "somewhat satisfied" categories are added together and divided by the total sample size to determine the overall stakeholder satisfaction rate.

Goal 6 Victims of Crime will receive assistance, information and support

Performance Measure 6.a – Satisfaction with Services Provided by Employees and Volunteers within the Criminal Justice System

Data for this measure are obtained from a question on the evaluation page of the Victim Services *Application for Financial Benefits* form. Results are compiled from the pages completed by individuals applying for financial benefits who choose to respond to this question at the time they apply for benefits.

In 2007-08, a total of 2,122 new applications for financial benefits were received. Individuals applying for benefits returned 540 completed surveys. This represents a response rate of 25 per cent.

Results for this measure are based on applicants' responses to the following question:

How would you rate the overall service provided to you so far by the employees and volunteers within the criminal justice system?

- very dissatisfied
- somewhat dissatisfied
- neither satisfied nor dissatisfied
- somewhat satisfied
- very satisfied

The Victims Services Branch tracks results for this measure and results are entered on a spreadsheet according to the month of receipt of completed surveys.

The overall annual satisfaction rating is calculated by totalling all scores for the survey question and dividing this total by the total number of valid completed responses to the question for the year.

For the 2007-08 fiscal year, the number of surveys with ratings of four or five were tallied on a monthly, quarterly and annual basis. For the 2007-08 fiscal year, a total of 407 surveys included ratings of four or five. This represented 75 per cent of all completed surveys.

Goal 7 Alberta's liquor industry operates with integrity, remains progressive and benefits Albertans

Performance Measure 7.a – Percentage of Albertans Satisfied with the Conduct of the Liquor Business in Alberta

The AGLC commissions an annual survey to determine the public's opinion of the conduct of the liquor and gaming industries in Alberta. The public opinion survey is conducted by a third-party external consultant. The survey includes 37 questions and takes an average 15 minutes to complete. It was last conducted between January 15, 2008 and February 1, 2008.

Professionally trained interviewers conducted all interviews by telephone from a central facility. Ten per cent of all interviews were monitored while in progress.

The sample size in 2008 was 1,000. The sample consisted of a random and representative percentage of adult Albertans, drawn from the most recent residential phone listings. The last digit of each phone number was randomized to allow inclusion of new and unpublished listings. Using Statistics Canada population estimates dated July 1, 2007, the number of interviews was proportionate to the regional population and representative by gender and age. Results are considered reliable to within +/- 3.1 per cent at the 95 per cent confidence level.

This measure is based on responses to the following question:

Overall, how satisfied were you with the way the liquor business is conducted in Alberta?

- very satisfied
- satisfied
- somewhat satisfied
- somewhat dissatisfied
- dissatisfied
- very dissatisfied
- don't know

Respondents were considered to be "satisfied" if they indicated that they were very satisfied, satisfied or somewhat satisfied.

Performance Measure 7.b – Percentage of Liquor Licenses Who Comply with Legislation, Regulations and Policy

This measure is calculated by dividing the average number of licensees who have not been issued a penalty by the average number of licensees during the period. The average number of licensees is equal to the number of licensees on the first day of the fiscal year plus the number of licensees on the last day of the year divided by two. The average number of licensees is utilized in the calculation because the number of licensees fluctuates throughout the year and an averaging of the numbers is considered to be the best possible proxy.

Performance Measure 7.c – Percentage of Albertans Satisfied that Liquor is Provided in a Responsible Manner

The methodology for this measure is as described under Performance Measure 7a.

This measure is based on a weighted average for the following:

- respondents' level of satisfaction with the sale of liquor in a responsible manner
- respondents' level of satisfaction with the service of liquor in a responsible manner

For both questions, the response options were:

- very satisfied
- satisfied
- somewhat satisfied
- somewhat dissatisfied
- dissatisfied
- very dissatisfied
- don't know

Respondents were considered to be "satisfied" if they indicated that they were very satisfied, satisfied or somewhat satisfied.

Goal 8 Alberta's liquor industry operates with integrity, social responsibility and benefits Albertans

Performance Measure 8.a – Percentage of Charitable Gaming Activities that are Conducted in Accordance with Legislation, Regulation and Policy

Charitable gaming activities include bingos, casinos, raffles and pull-tickets. Compliance of charitable gaming activities with legislation, regulation and policy is measured by the number of AGLC inspections of licensed gaming facilities and events that result in penalties generated. Inspection types and frequencies differ for different kinds of charitable gaming activities and consist of operational, maintenance and site visits.

Compliance is measured by the number of inspections resulting in penalties where the incident report is issued in the current year or prior year and the penalty is handed out in the current year. For example, an incident report generated in 2006-07 with a penalty handed out in 2007-08 is included in the results for 2007-08.

Performance Measure 8.b – Percentage of Albertans Satisfied that the Gaming Activity They Participated in was Provided Fairly and in a Responsible Manner

The methodology for this measure is as described under Performance Measure 7a.

This measure is based on a weighted average for the following:

- Respondents' level of satisfaction that the gaming activity they participated in was provided fairly and in a responsible manner.

  Game options were:

  - bingos
  - raffles
  - pull-tickets, break-opens, or Nevada tickets
  - video lottery terminal or VLT games in bars or lounges
  - slot machine games in casinos
  - slot machine games at racetracks
  - table games in casinos
  - lottery tickets

  Response options were:

  - very satisfied
  - satisfied
  - somewhat satisfied
  - somewhat dissatisfied
  - dissatisfied
  - very dissatisfied
  - don't know

Respondents were considered to be "satisfied" if they indicated that they were very satisfied, satisfied or somewhat satisfied.

Performance Measure 8.c – Dollars Distributed Annually to the Alberta Lottery Fund ($ millions)

Information for reporting on this measure is obtained from the Alberta Lottery Fund financial statements which are included in this annual report. Results for this measure comprise the net revenue from provincial lotteries transferred from the AGLC to the Alberta Lottery Fund and interest earned in the Alberta Lottery Fund.

Performance Measure 8.d – Charitable gaming revenue earned by charities ($ millions)

Information for reporting on this measure is obtained from Alberta Gaming and Liquor Commission (AGLC) administrative data and is based on information submitted to the AGLC by licensed charities and licensed facility operators.

Net proceeds to charities is equal to net proceeds (sales less prizes less expenses) from casino table games, bingos, pull-tickets and raffles. It also includes all commissions paid to charities from slot machines, electronic bingo and Keno and electronic bingo Alberta Lottery Fund payments and Keno Alberta Lottery Fund payments.

Charitable gaming revenue earned by charities comprises:

- 2007-08 data for:
  - bingo events conducted at licensed bingo facilities;
  - casino events; and
  - raffles with gross sales under $10,000.
- 2006-07 data for:
  - community bingo events (does not include community bingos with gross sales less than $2,500);
  - pull-ticket sales; and
  - raffles with gross sales over $10,000.

Endnotes

[1] The 2007-10 Business Plan referenced the 2005-06 actual as 93 per cent, it should have read 92 per cent.

[2] Canadian Centre for Justice Statistics, Adult Correctional Services in Canada, 2004-2005–Reference Tables.

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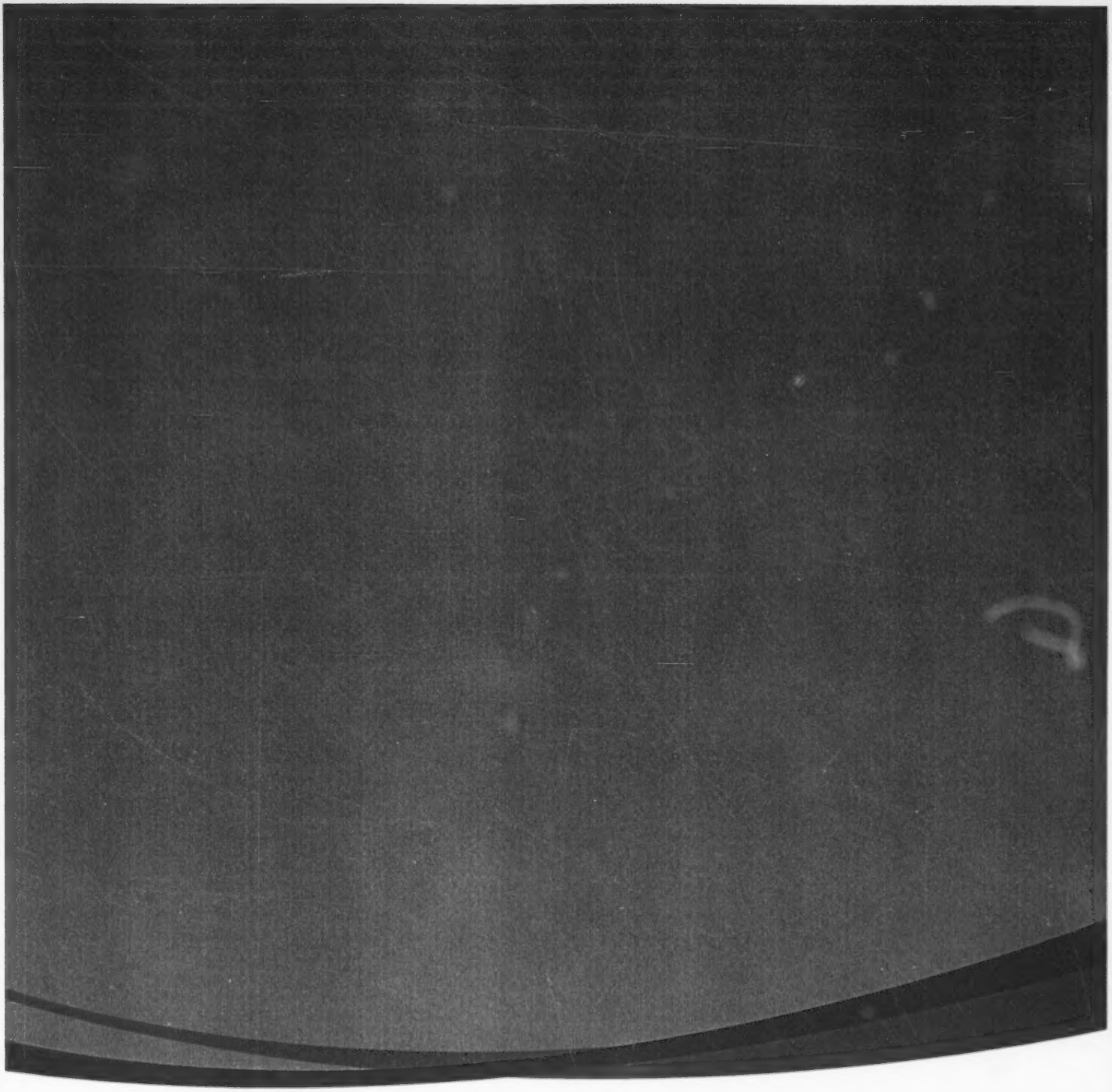


Ministry of Solicitor General and Public Security Financial Statements

Auditor's Report

AUDITOR GENERAL *Alberta*

To the Members of the Legislative Assembly

I have audited the consolidated statement of financial position of the Ministry of the Solicitor General and Public Security as at March 31, 2008, and the consolidated statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Ministry's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Ministry as at March 31, 2008, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Original signed by Fred J. Dunn, FCA

Auditor General

Edmonton, Alberta
May 16, 2008

The official version of this Report of the Auditor General, and the information the Report covers, is in printed form.

Consolidated Statement of Operations

Year Ended March 31, 2008
(in thousands)

	2008 Budget (Schedule 3)	2008 Actual	2007 Actual (restated)
Revenues (Schedule 1)			
Transfer from the Government of Canada	$ 20,987	$ 20,855	$ 20,696
Net Income from Alberta Gaming and Liquor Commission			
Lottery Revenue	1,448,407	1,615,256	1,533,834
Liquor and Related Revenue	642,363	678,240	658,271
Investment Income	6,500	18,454	16,029
Premiums, Fees and Licenses	350	540	418
Other Revenue	20,690	28,348	21,657
	2,139,297	2,361,693	2,250,905
Expenses – Directly Incurred (Note 2b and Schedule 5)			
Voted (Schedule 2)			
Ministry Support Services	24,118	25,551	19,110
Public Security	292,079	287,663	255,889
Correctional Services	176,371	179,984	158,361
Gaming Research	1,600	1,555	1,528
Lottery Fund Payments to Other Ministries	1,452,807	1,630,828	1,547,262
	1,946,975	2,125,581	1,982,150
Statutory (Schedule 3)			
Valuation Adjustments			
Provision for Doubtful Accounts	200	(39)	(64)
Provision for Vacation Pay	67	3,084	1,501
	267	3,045	1,437
Regulated Fund			
Victims of Crime	17,908	18,721	17,916
	1,965,150	2,147,347	2,001,503
Net Operating Results	$ 174,147	$ 214,346	$ 249,402

The accompanying notes and schedules are part of these consolidated financial statements.

Consolidated Statement of Financial Position

As at March 31, 2008
(in thousands)

	2008	2007 (restated)
Assets		
Cash (Note 4)	$ 203,577	$ 125,996
Accounts Receivable (Note 5)	24,289	37,475
Advances	2	3
Tangible Capital Assets (Note 6)	11,975	8,747
Equity in Alberta Gaming and Liquor Commission (Note 7)	378,294	352,826
	$ 618,137	$ 525,047
Liabilities		
Accounts Payable and Accrued Liabilities	$ 285,024	$ 197,203
Net Assets		
Net Assets at Beginning of Year	327,844	233,602
Net Operating Results	214,346	249,402
Net Financing Provided from (for) General Revenues	(209,077)	(155,160)
Net Assets at End of Year	333,113	327,844
	$ 618,137	$ 525,047

The accompanying notes and schedules are part of these consolidated financial statements.

Consolidated Statement of Cash Flows

Year Ended March 31, 2008
(in thousands)

	2008	2007 (restated)
Operating Transactions		
Net Operating Results	$ 214,346	$ 249,402
Non-cash items included in Net Operating Results		
Amortization	1,602	1,321
Valuation Adjustments	3,045	1,437
Undistributed Profit of Alberta Gaming and Liquor Commission	(25,468)	(90,350)
	193,525	161,810
Decrease (increase) in Accounts Receivable	13,225	(15,529)
Decrease (increase) in Advances	1	(1)
Increase (decrease) in Accounts Payable and Accrued Liabilities	84,737	15,819
Cash Applied to Operating Transactions	291,488	162,099
Capital Transactions		
Acquisition of Tangible Capital Assets	(4,655)	(6,545)
Transfers from Infrastructure and Transportation and Alberta Justice	(175)	(7)
Cash Applied to Capital Transactions	(4,830)	(6,552)
Financing Transactions		
Net Financing Provided from (for) General Revenues	(209,077)	(155,160)
Increase in Cash	77,581	387
Cash, Beginning of Year	125,996	125,609
Cash, End of Year	$ 203,577	$ 125,996

The accompanying notes and schedules are part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

NOTE 1
AUTHORITY AND PURPOSE

The Ministry of the Solicitor General and Public Security has been designated as responsible for various Acts by the *Government Organization Act* and its regulations. To fulfill these responsibilities, the Solicitor General and Minister of Public Security administers the organizations listed below. The authority under which each organization operates is also listed. Together, these organizations form the Ministry of the Solicitor General and Public Security.

Organization/ Authority

- The Department of the Solicitor General and Public Security/ *Government Organization Act*
- Victims of Crime Fund/ *Victims of Crime Act*
- Alberta Lottery Fund/ *Gaming and Liquor Act*
- Alberta Gaming and Liquor Commission/ *Gaming and Liquor Act*

The ministry's purpose is to work in partnership with Albertans to promote safe, secure communities through effective law enforcement, security, correctional and victim services and ensure integrity and accountability and social responsibility in Alberta's gaming and liquor industries.

NOTE 2
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. These financial statements are prepared primarily in accordance with the following accounting policies that have been established by government for all departments. The PSAB financial presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of the departments.

(a) Reporting Entity

The reporting entity is the Ministry of the Solicitor General and Public Security for which the Solicitor General and Minister of Public Security is accountable. These financial statements include the activities of the Department of the Solicitor General and Public Security, the Victims of Crime Fund (a regulated fund), Alberta Lottery Fund and the Alberta Gaming and Liquor Commission.

(b) Basis of Financial Reporting

Basis of Consolidation

The accounts of the department and the Victims of Crime Fund and Alberta Lottery Fund have been consolidated after adjusting them to a basis consistent with the accounting policies described below. Revenue and expense transactions, investing and financing transactions and related asset and liability accounts between these consolidated organizations are eliminated upon consolidation.

The accounts of the Alberta Gaming and Liquor Commission, which is designated as a commercial enterprise, are reported on the modified equity basis, the equity being computed in accordance with Canadian generally accepted accounting principles.

Revenues

All revenues are reported on the accrual method of accounting. Cash received for which goods or services have not been provided by year-end is recorded as unearned revenue.

Notes to the Consolidated Financial Statements

Expenses

Directly Incurred

Directly incurred expenses are those costs the ministry has primary responsibility and accountability for, as reflected in the government's budget documents.

In addition to program operating expenses like salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets;
- pension costs, which comprise the cost of employer contributions for current service of employees during the year; and
- valuation adjustments, which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value.

Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.

Grants are recognized as expenses when authorized, the eligibility criteria, if any, is met, and when a reasonable estimate of amounts can be made.

Incurred by Others

Services incurred by other entities in support of the ministry's operations are disclosed in Schedule 5.

Assets

Financial assets of the ministry are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Assets required by right are not included. Tangible capital assets of the ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other tangible capital assets is $5,000.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Net Liabilities

Net liabilities represent the difference between the carrying value of assets held by the ministry and its liabilities.

Measurement Uncertainty (in thousands)

Measurement uncertainty exists when there is a significant variance between the amount recognized in the financial statements and another reasonably possible amount. Accounts receivable, recorded as $17,652 (2007 – $16,550) in these financial statements, is subject to measurement uncertainty. Victims of Crime Fund accounts receivable excludes certain outstanding federal statute surcharges and provincial statute fine surcharges that are expected to be satisfied by means other than cash payment. The other means include participation in the fine option program or time served in a correctional institution at the option of the person owing the surcharge. Outstanding surcharges expected to be satisfied by other means of $1,049 (2007 – $800) have been deducted from total outstanding surcharges of $17,704 (2007 – $16,504) to arrive at reported revenue and related accounts receivable. The estimate of $1,049 is based on the actual percentage satisfied in this matter from April 1, 2007 to March 31, 2008. Changes in the proportion of surcharges satisfied by other means may have a material effect on future operating results.

Financial benefits under the Victims of Crime Fund recorded as a liability of $4,520 (2007 – $2,532) in these financial statements, is subject to measurement uncertainty. See Note 10.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash, accounts receivable, advances, accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

Notes to the Consolidated Financial Statements

NOTE 3
PROGRAM TRANSFER AND PRIOR PERIOD RESTATEMENT

(in thousands)

During the year, the ministry restated financial statements previously presented for the effects of changes resulting from a program transfer from another department of the government. Effective April 1, 2007 the Crisis Management Unit was transferred from the Ministry of Municipal Affairs and Housing. The 2007 comparative financial statements have been restated to reflect this change as if it occurred in the prior period to provide comparative information on the same basis as for 2008. As a result of this restatement, expenses for 2007 were increased by $486 and Net Financing Provided for General Revenues decreased by $486 resulting in no net change in Net Assets at March 31, 2007.

NOTE 4
CASH

Included in cash are deposits of $170,234 for Alberta Lottery Fund and $32,787 for the Victims of Crime Fund in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. The CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio comprises high quality, short-term and mid-term fixed income securities with a maximum term to maturity of three years. As at March 31, 2008, securities held by the CCITF have an average effective market yield of 4.81 per cent per annum (March 31, 2007: 4.36 per cent per annum).

NOTE 5
ACCOUNTS RECEIVABLE

(in thousands)

	2008			2007
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Government of Canada	$ 5,560	$ –	$ 5,560	$ 19,279
Surcharges	18,478	826	17,652	16,544
Other	1,077	–	1,077	1,652
	$ 25,115	$ 826	$ 24,289	$ 37,475

Accounts receivable are unsecured and non-interest bearing.

Notes to the Consolidated Financial Statements

NOTE 6
TANGIBLE CAPITAL ASSETS

(in thousands)

	Equipment	Computer Hardware and Software	Other	Work in Progress*	2008 Total	2007 Total
Estimated Useful Life	10 years	5 years	3 years			
Historical Cost						
Beginning of year	$ 9,243	$ 1,488	$ 2,015	$ 1,098	$ 13,844	$ 7,711
Additions	2,917	105	510	1,298	4,830	6,552
Disposals, including write-downs	(125)	–	–	–	(125)	(419)
	$ 12,035	$ 1,593	$ 2,525	$ 2,396	$ 18,549	$ 13,844
Accumulated Amortization						
Beginning of year	$ 4,159	$ 429	$ 509	–	$ 5,097	$ 4,193
Amortization expense	984	238	380	–	1,602	1,323
Effect of disposals	(125)	–	–	–	(125)	(419)
	$ 5,018	$ 667	$ 889	–	$ 6,574	$ 5,097
Net Book Value at March 31, 2008	$ 7,017	$ 926	$ 1,636	$ 2,396	$ 11,975	
Net Book Value at March 31, 2007	$ 5,085	$ 1,392	$ 2,270	$ –		$ 8,747

*Work in Progress includes $1,192 for the Government of Alberta Domain Migration, $739 for the Secure Server Room, $312 for enhancements to existing systems and $153 for other equipment.

NOTE 7
EQUITY IN ALBERTA GAMING AND LIQUOR COMMISSION (AGLC)

(in thousands)

	2008	2007
Equity in AGLC, beginning of year	$ 352,826	$ 262,476
Total revenues	28,315,324	26,182,775
Total expenses	(26,021,828)	(23,990,670)
Net transfers	(2,268,028)	(2,101,755)
Equity in AGLC, end of year	$ 378,294	$ 352,826

Notes to the Consolidated Financial Statements

NOTE 8
CONTRACTUAL OBLIGATIONS

(in thousands)

As at March 31, 2008, the ministry is committed under contracts, which expire on various dates to March 31, 2012, totalling $558,525 (2007 – $529,680). This includes a commitment for the Provincial Police Service Agreement. The Provincial Police Service Agreement with Canada is a contract for the Royal Canadian Mounted Police, to provide policing services to small communities and rural areas in Alberta. The term of this contract is from April 1, 1992 to March 31, 2012. The cost of this police service agreement for 2007/2008 was estimated at $150,680 (2007 – $143,065). Under the terms of the agreement, Alberta may terminate the agreement with a two-year notice served on March 31, in any year. The commitment, based on the minimum notice period, is estimated to be $502,274 as at March 31, 2008 (2007 – $475,148), which represents payments for policing services until March 31, 2011.

The ministry leases vehicles under operating leases, which expire on various dates to March 31, 2013. The aggregate amounts payable for the unexpired terms of these leases are as follows:

Year	(in thousands)
2009	$ 946
2010	412
2011	80
2012	35
2013	35
Total	$ 1,508

Proclamation of the *Victims of Crime Act* in 1997 repealed the *Criminal Injuries Compensation Act*, dissolving the Crimes Compensation Board. The director under the *Victims of Crime Act* assumed administrative responsibility and the Victims of Crime Fund (VOCF) assumed financial responsibility for future obligations associated with the former board's compensation claims. A number of these claims involve a monthly payment for continuing loss of support or income and/or cost of care. These payments are subject to periodic review to confirm continued eligibility for entitlements and/or adjustment to the monthly amount. Recipients are also expected to advise the Victims of Crime Fund (VOCF) of any significant change in circumstance or status between review dates.

In March 2008, 35 eligible recipients received a monthly payment (37 eligible recipients in March 2007). The total estimated amount of all monthly payments to eligible recipients for future years is as follows:

Year	(in thousands)
2009	$ 578
2010	524
2011	524
2012	524
2013	524
2014 and beyond	12,453
Total	$ 15,127

Notes to the Consolidated Financial Statements

These eligible recipients will continue to be paid in future years if it is determined during the annual review that they continue to meet the eligibility criteria and the payments are approved by the director.

The Victims of Crime Fund has entered into longer term funding arrangements with organizations for delivery of victim services to communities. These arrangements, subject to satisfaction of reporting and service delivery requirements, are $2,385 in 2008-09, $1,184 in 2009-10, and $189 in 2010-11.

As at March 31, 2008, the ministry has commitments for leased properties ranging from one to 24 years. Most of these properties have been subleased to third parties. The ministry remains liable for the leases should the sublessors default on their obligations to the ministry.

Year	(in thousands)
2009	$ 2,389
2010	2,028
2011	1,786
2012	1,712
2013	1,298
and beyond	1,589
Total	$ 10,802

Estimated future revenues to be derived from subleases amount to $4.82 million at March 31, 2008. Provision for loss has been made where the payments to be received on the subleases are less than the lease payments to be made.

NOTE 9
CONTINGENCIES

(in thousands)

As at March 31, 2008, the ministry is a defendant in 95 legal claims (2007 – 82 legal claims). Eighty-five of these claims have specified amounts totalling $258,009 and the remaining ten have no specified amount (2007 – 76 claims with a specified amount of $220,889 and six with no specified amount). Included in the total legal claims are ten claims amounting to $164,900 (2007 – eight claims amounting to $107,937) in which the ministry has been jointly named with other entities. Seventy claims amounting to $88,625 (2007 – 59 claims totalling $74,026) are covered by the Alberta Risk Management Fund.

The ministry has a lease amending agreement with a tenant as of March 23, 2007 whereby, if a defined significant event occurs before February 28, 2012, the ministry will pay for certain capital investments up to $6,400 and will also assume certain third-party premise leases for the remainder of the lease term.

The resulting loss, if any, from these claims cannot be determined.

NOTE 10
FINANCIAL BENEFITS

(in thousands)

As at March 31, 2008, there were 1,351 (2007 – 835) active applications for financial benefits with the Victims of Crime Financial Benefits Program.

An estimated liability of $4,520 (2007 – $2,532), subject to measurement uncertainty, was recorded based on historical decision patterns and average award values. Additional information may be required to determine eligibility and amount for individual cases under regulations of the *Victims of Crime Act.*

Notes to the Consolidated Financial Statements

NOTE 11
TRUST FUNDS UNDER ADMINISTRATION

(in thousands)

The ministry administers trust funds that are regulated funds consisting of public money over which the Legislature has no power of appropriation. Because the province has no equity in the funds and administers them for the purpose of various trusts, they are not included in the department's financial statements.

Institutional Trust receives and disburses inmate funds used for their personal needs, as well as inmate welfare funds derived from various sources, that are administered on their behalf. As at March 31, 2008, the amount of the trust funds held under administration was $681 (2007 – $508) which comprises inmate trust funds of $287 (2007 – $210) and inmate welfare fund equity of $394 (2007 – $298).

Effective July 2, 2007, the Alberta Gaming and Liquor Commission assumed management of the collection, investment and distribution of the charities' share of proceeds/losses from table games at licensed charitable casino events. Previously these activities were managed by third party trustees.

The share of proceeds/losses from these table games allocated to charities is established in policy and by agreement between the participating charity and the relevant casino operator. These allocations are collected by the Alberta Gaming and Liquor Commission and pooled by casino or region over a three-month period. The pooled funds earn interest and the commission deducts administrative fees from the pools. The net proceeds in each pool at the end of the pooling period are distributed equally to each charity holding a licensed charitable casino event in the casino/region during the pooling period.

At March 31, 2008 funds under administration were $15.0 million.

NOTE 12
PAYMENTS UNDER AGREEMENT

(in thousands)

The ministry has an agreement to disburse the provincial share of net forfeitures from proceeds of crime on behalf of Justice Canada. Proceeds received from Justice Canada under this agreement are in accordance with Section 10 of the *Federal Seized Property Management Act* resulting from the investigation efforts by law enforcement agencies in Alberta.

Disbursements to law enforcement agencies and crime and drug prevention organizations under this agreement are made by the ministry under authority of the *Financial Administration Act*, Section 25. Only the amounts received from Justice Canada and not disbursed are reflected in these financial statements.

Amounts payable to law enforcement agencies and crime and drug prevention organizations under this agreement with Justice Canada, for the year ended March 31, 2008, are $33 (2007 – $161) and are reflected in the Consolidated Statement of Financial Position.

The ministry also has a funding agreement with the Government of Canada under the *Youth Criminal Justice Act*. Costs incurred under this agreement are made by the ministry under authority of the *Financial Administration Act*, Section 25. Accounts receivable includes $0 (2007 – $42) under this agreement and is reflected in the Consolidated Statement of Financial Position.

Notes to the Consolidated Financial Statements

NOTE 13
DEFINED BENEFIT PLANS

(in thousands)

The ministry participates in the multi-employer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The ministry also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $16,795 for the year ended March 31, 2008 (2007 – $13,651). In addition the ministry contributes to the Western Canada Lottery Corporation (WCLC) Pension Plan. The ministry's portion of the WCLC pension expense is $725 for the year ended March 31, 2008 (2007 - $616).

At December 31, 2007, the Management Employees Pension Plan reported a deficiency of $84,341 (2006 – $6,765) and the Public Service Pension Plan reported a deficiency of $92,070 (2006 – surplus of $153,024). At December 31, 2007, the Supplementary Retirement Plan for Public Service Managers had a surplus of $1,510 (2006 - $3,698). The ministry's portion of the WCLC deficiency as at March 31, 2008 is $1,266 (2007 – deficiency is $2,514).

The ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2008, the Bargaining Unit Plan reported an actuarial deficiency of $6,319 (2007 – actuarial surplus of $153) and the Management, Opted Out and Excluded Plan, an actuarial surplus of $7,874 (2007 – $10,148). The expense for these two plans is limited to employer's annual contributions for the year.

NOTE 14
COMPARATIVE FIGURES

Certain 2007 figures have been reclassified to conform to the 2008 presentation.

NOTE 15
APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Senior Financial Officer and the Deputy Solicitor General and Deputy Minister of Public Security.

Schedule to the Consolidated Financial Statements

SCHEDULE 1
REVENUES

Year Ended March 31, 2008
(in thousands)

	2008 Budget	2008 Actual	2007 Actual
Transfer from the Government of Canada			
Youth Justice Program	$ 17,557	$ 17,473	$ 17,199
Federal Inmates Program	–	2,606	2,811
Other	3,430	776	686
	20,987	20,855	20,696
Lottery			
Video Lottery Terminal Revenue	705,188	702,771	735,066
Casino Gaming Terminal Revenue	748,055	849,390	707,185
Lottery Ticket Revenue	200,686	231,195	227,314
	1,653,929	1,783,356	1,669,565
Cost of Operations	(205,522)	(168,100)	(135,731)
	1,448,407	1,615,256	1,533,834
Liquor			
Liquor and Related Revenue	667,154	699,853	679,570
Cost of Operations	(24,791)	(21,613)	(21,299)
	642,363	678,240	658,271
Investment Income			
Lottery Fund Interest	6,000	17,172	15,028
Bank Interest	500	1,282	1,001
	6,500	18,454	16,029
Premiums, Fees and Licenses			
Private Investigators Fees	350	514	418
Other	–	26	–
	350	540	418
Other Revenue			
Surcharges	20,650	23,645	20,893
Recoveries for Enhanced Policing Services	–	3,454	–
Refunds of Expenditures	40	549	125
Miscellaneous	–	700	639
	20,690	28,348	21,657
	$ 2,139,297	$ 2,361,693	$ 2,250,905

Schedule to the Consolidated Financial Statements

SCHEDULE 2
EXPENSES – DIRECTLY INCURRED DETAILED BY OBJECT

Year Ended March 31, 2008
(in thousands)

	2008		2007
	Budget	Actual	Actual (restated)
Voted			
Salaries, Wages and Employee Benefits	$ 197,222	$ 200,022	$ 167,659
Supplies and Services	230,778	225,809	203,094
Grants	1,517,731	1,698,216	1,610,080
Financial Transactions and Other	54	69	79
Amortization of Tangible Capital Assets	1,190	1,465	1,238
Total Voted Expenses	$ 1,946,975	$ 2,125,581	$ 1,982,150
Regulated Fund			
Salaries, Wages and Employee Benefits	$ 2,123	$ 2,233	$ 1,863
Supplies and Services	1,869	917	1,081
Grants	13,830	15,434	14,889
Amortization of Tangible Capital Assets	86	137	83
Total Regulated Fund Expenses	$ 17,908	$ 18,721	$ 17,916

Schedule to the Consolidated Financial Statements

SCHEDULE 3
BUDGET

Year Ended March 31, 2008
(in thousands)

	2007 - 2008 Estimates	Authorized Supplementary (a)	2007 - 2008 Authorized Budget
Revenues			
Transfer from the Government of Canada	$ 20,987	$ –	$ 20,987
Net Income from Alberta Gaming and Liquor Commission			
Video Lottery Terminal Revenue	705,188	–	705,188
Gaming Terminal Revenue	748,055	–	748,055
Ticket Lottery Revenue	200,686	–	200,686
Lottery Operation	(205,522)	–	(205,522)
Liquor and Related Revenue	667,154	–	667,154
Liquor Operations	(24,791)	–	(24,791)
Investment Income			
Lottery Fund Interest	6,000	–	6,000
Bank Interest	500	–	500
Premiums, Fees and Licenses			
Private Investigators Fees	350	–	350
Other Revenue	20,690	–	20,690
	2,139,297	–	2,139,297
Expenses – Directly Incurred			
Voted			
Ministry Support Services	24,118	214	24,332
Public Security	292,079	4,699	296,778
Correctional Services	176,371	4,541	180,912
Gaming Research	1,600	–	1,600
Lottery Fund Payments to Other Ministries	1,452,807	–	1,452,807
	1,946,975	9,454	1,956,429
Statutory			
Valuation Adjustments			
Provision for Doubtful Accounts	200	–	200
Provision for Vacation Pay	67	–	67
	267	–	267
Victims of Crime Fund	17,908	3,107	21,015
Total Expenses	1,965,150	12,561	1,977,711
Net Operating Results	$ 174,147	$ (12,561)	$ 161,586
Equipment/Inventory Purchases	$ 480	$ –	$ 480
Capital Investment	$ 23,894	$ 8,319	$ 32,213

(a) Supplementary Estimates were approved on July 17, 2007, October 17, 2007 and January 16, 2008.

Schedule to the Consolidated Financial Statements

SCHEDULE 4
RELATED PARTY TRANSACTIONS

Year Ended March 31, 2008
(in thousands)

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the ministry.

The ministry and its employees paid or collected certain taxes and fees set by regulation for permits, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The ministry had the following transactions with related parties recorded on the Consolidated Statement of Operations and the Consolidated Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Other Entities	
	2008	2007
Expenses – Directly incurred		
Grants – Departments	$ 1,630,828	$ 1,547,262
Service Alberta	3,161	2,840
Parking	4	3
Other Services	5	–
	$ 1,633,998	$ 1,550,105
Payable to Alberta Finance	$ 95,964	$ 110,112
Payable to Ministry of Tourism, Parks, Recreation and Culture	$ 102,480	$ 16,305

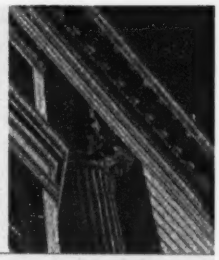
The above transactions do not include support service arrangement transactions disclosed in Schedule 2.

The ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed in Schedule 5.

	Other Entities	
	2008	2007
Expenses – Incurred by Others		
Accommodation	$ 35,863	$ 30,823
Legal	385	374
Service Alberta	3,467	3,411
Corporate Internal Audit Services	87	130
	$ 39,802	$ 34,738

The ministry receives services under contracts managed by the Ministry of Service Alberta. Any commitments under these contracts are reported by Service Alberta.

Schedule to the Consolidated Financial Statements

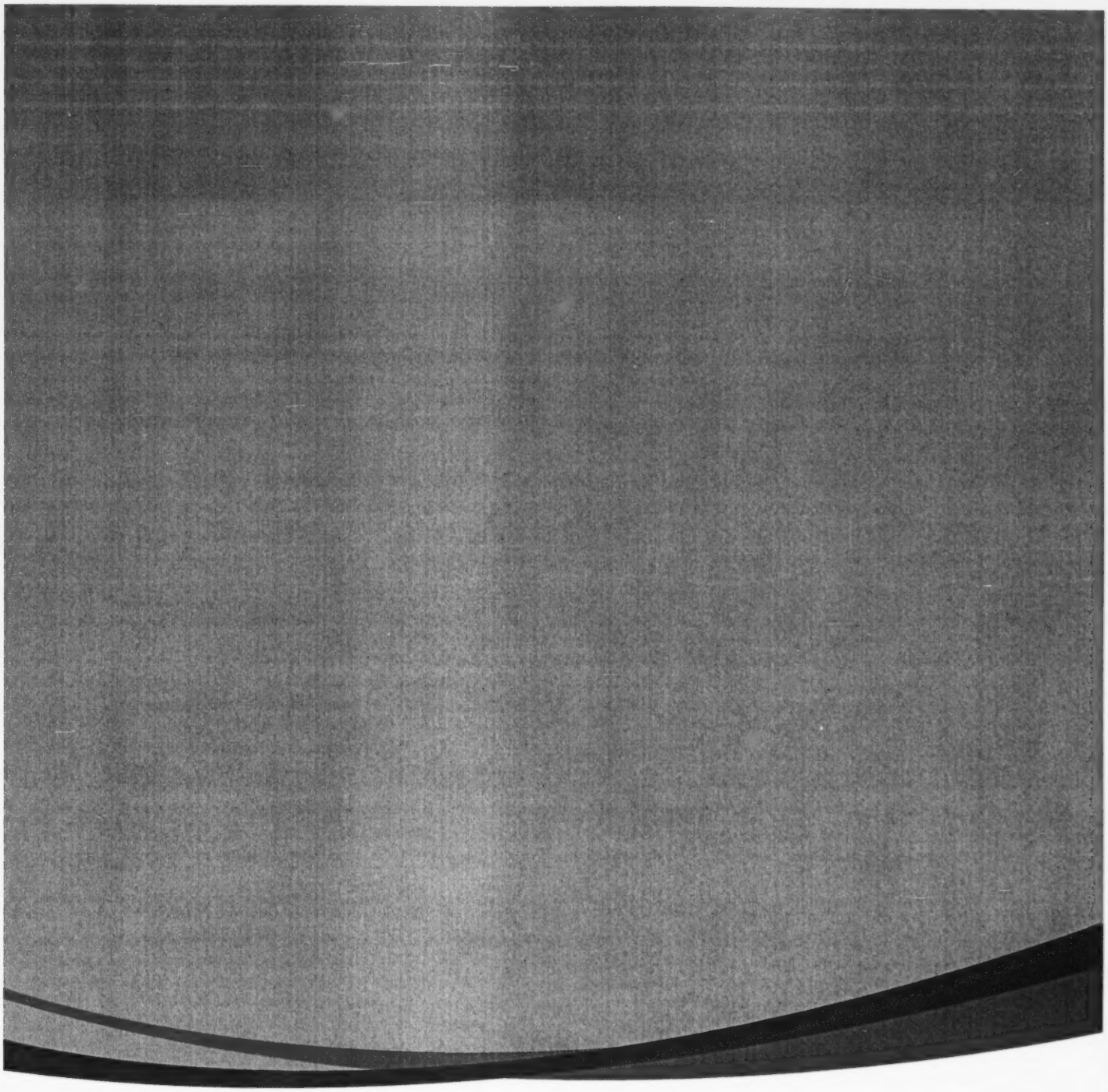


SCHEDULE 5
ALLOCATED COSTS

Year Ended March 31, 2008
(in thousands)

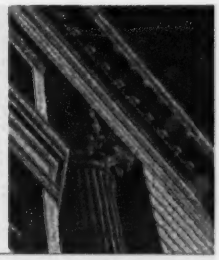
	2008								2007
		Expenses – Incurred by Others				Valuation Adjustments (4)			
Program	Expenses (1)	Accommodation Costs (2)	Legal Services (3)	Service Alberta	Corporate Internal Audit Services	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses (Restated)
Voted:									
Ministry Support Services	$ 25,551	$ 1,211	$ 100	$ 3,467	$ 87	$ 563	$ –	$ 30,979	$ 24,112
Public Security	287,663	1,422	55	–	–	902	–	290,042	257,361
Correctional Services	179,984	33,098	203	–	–	1,659	–	214,944	188,028
Gaming Research	1,555	–	–	–	–	–	–	1,555	1,528
Lottery Fund Payments to Other Ministries	1,630,828	–	–	–	–	–	–	1,630,828	1,547,262
	2,125,581	35,731	358	3,467	87	3,124	–	2,168,348	2,018,291
Regulated Fund:									
Victims of Crime	18,721	132	27	–	–	(40)	(39)	18,801	17,950
	$ 2,144,302	$ 35,863	$ 385	$ 3,467	$ 87	$ 3,084	$ (39)	$ 2,187,149	$ 2,036,241

(1) Expenses – Directly Incurred as per Statement of Operations, excluding valuation adjustments.
(2) Costs for Accommodation (includes grants in lieu of taxes) on Schedule 4.
(3) Cost shown for Legal Services on Schedule 4, estimated costs incurred by each program.
(4) Valuation Adjustments as per Statement of Operations. Employee Benefits and Doubtful Accounts were allocated as follows:
- Vacation Pay – allocated to the program by employee.
- Doubtful Accounts Provision – estimated allocation to program.



Department of Solicitor General and Public Security Financial Statements

Auditor's Report



AUDITOR GENERAL *Alberta*

To the Solicitor General and Minister of Public Security

I have audited the statement of financial position of the Department of the Solicitor General and Public Security as at March 31, 2008, and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Department's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Department as at March 31, 2008, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Original signed by Fred J. Dunn, FCA

Auditor General

Edmonton, Alberta
May 16, 2008

The official version of this Report of the Auditor General, and the information the Report covers, is in printed form.

Statement of Operations

Year Ended March 31, 2008
(in thousands)

	2008		2007
	Budget (Schedule 3)	Actual	Actual (Restated)
Revenues (Schedule 1)			
Transfer from the Government of Canada	$ 20,987	$ 20,855	$ 20,696
Internal Government Transfers	643,963	679,840	659,871
Premiums, Fees and Licenses	350	540	418
Other Revenue	40	4,589	728
	665,340	705,824	681,713
Expenses – Directly Incurred (Note 2b and Schedule 7)			
Voted (Schedules 2 and 4)			
Ministry Support Services	24,118	25,551	19,110
Public Security	292,079	287,663	255,889
Correctional Services	176,371	179,984	158,361
Gaming Research	1,600	1,555	1,528
	494,168	494,753	434,888
Statutory (Schedules 3 and 4)			
Valuation Adjustments			
Provision for Doubtful Accounts	100	–	–
Provision for Vacation Pay	67	3,124	1,468
	167	3,124	1,468
	494,335	497,877	436,356
Net Operating Results	$ 171,005	$ 207,947	$ 245,357

The accompanying notes and schedules are part of these financial statements.

Statement of Financial Position

As at March 31, 2008
(in thousands)

	2008	2007 (Restated)
Assets		
Cash	$ 556	$ 25
Accounts Receivable (Note 4)	303,908	295,955
Advances	2	3
Tangible Capital Assets (Note 5)	11,675	8,310
	$ 316,141	$ 304,293
Liabilities		
Accounts Payable and Accrued Liabilities	$ 80,505	$ 67,527
Net Assets		
Net Assets at Beginning of Year	236,766	146,569
Net Operating Results	207,947	245,357
Net Financing Provided from (for) General Revenues	(209,077)	(155,160)
Net Assets at End of Year	235,636	236,766
	$ 316,141	$ 304,293

The accompanying notes and schedules are part of these financial statements.

Statement of Cash Flows

Year Ended March 31, 2008
(in thousands)

	2008	2007 (Restated)
Operating Transactions		
Net Operating Results	$ 207,947	$ 245,357
Non-cash items included in Net Operating Results		
Amortization	1,465	1,238
Valuation Adjustments	3,124	1,468
	212,536	248,063
Decrease (Increase) in Accounts Receivable	(7,953)	(88,655)
Decrease (Increase) in Advances	1	(1)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	9,854	2,256
Cash provided by Operating Transactions	214,438	161,663
Capital Transactions		
Acquisition of Tangible Capital Assets	(4,655)	(6,495)
Transfers from Infrastructure and Transportation and Alberta Justice	(175)	(7)
Cash Applied to Capital Transactions	(4,830)	(6,502)
Financing Transactions		
Net Financing Provided from (for) General Revenues	(209,077)	(155,160)
Increase in Cash	531	1
Cash, Beginning of Year	25	24
Cash, End of Year	$ 556	$ 25

The accompanying notes and schedules are part of these financial statements.

Notes to the Financial Statements

NOTE 1
AUTHORITY AND PURPOSE

The Department of the Solicitor General and Public Security operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The department's purpose is to work in partnership with Albertans to promote safe, secure communities through effective law enforcement, and security and correctional services.

NOTE 2
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with Canadian generally accepted accounting principles for the Public Sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. The PSAB financial presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of the departments.

(a) Reporting Entity

The reporting entity is the Department of the Solicitor General and Public Security, which is part of the Ministry of the Solicitor General and Public Security for which the Solicitor General and Minister of Public Security is accountable. Other entities reporting to the minister include the Victims of Crime Fund (a regulated fund), Alberta Gaming and Liquor Commission and Alberta Lottery Fund.

Results Analysis Section of the ministry annual report provides a more comprehensive accounting of the financial position and results of the ministry's operations for which the Solicitor General and Minister of Public Security is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net financing from (for) general revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual method of accounting. Cash received for which goods or services have not been provided by year-end is recorded as unearned revenue.

Notes to the Financial Statements

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

Expenses

Directly Incurred

Directly incurred expenses are those costs the department has primary responsibility and accountability for, as reflected in the government's budget documents.

In addition to program operating expenses like salaries, supplies, etc., directly incurred expenses include:

- amortization of tangible capital assets;
- pension costs, which comprise the cost of employer contributions for current service of employees during the year; and
- valuation adjustments, which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value.

Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.

Grants are recognized as expenses when authorized, the eligibility criteria, if any, is met, and when a reasonable estimate of amounts can be made.

Incurred by Others

Services contributed by other entities in support of the department's operations are disclosed in Schedule 7.

Assets

Financial assets of the department are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Assets acquired by right are not included. Tangible capital assets of the department are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other tangible capital assets is $5,000.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Net Liabilities

Net liabilities represent the difference between the carrying value of assets held by the department and its liabilities.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

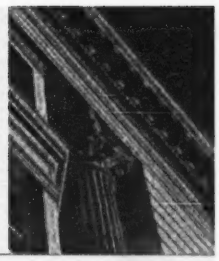
The fair values of cash, accounts receivable, advances, accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

NOTE 3
PROGRAM TRANSFER AND PRIOR PERIOD RESTATEMENT

(in thousands)

During the year, the department restated financial statements previously presented for the effects of changes resulting from a program transfer from another department of the government. Effective April 1, 2007 the Crisis Management Unit was transferred from the Department of Municipal Affairs and Housing. The 2007 comparative financial statements have been restated to reflect this change as if it occurred in the prior period to provide comparative information on the same basis as for 2008. As a result of this restatement, expenses for 2007 were increased by $486 and net financing provided for general revenues decreased by $486 resulting in no net change in net assets at March 31, 2007.

Notes to the Financial Statements



NOTE 4
ACCOUNTS RECEIVABLE

(in thousands)

	2008			2007
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Government of Canada	$ 5,560	$ –	$ 5,560	$ 19,279
Other	1,077	–	1,077	1,590
AGLC	297,271	–	297,271	275,086
	$ 303,908	$ –	$ 303,908	$ 295,955

Accounts receivable are unsecured and non-interest bearing.

NOTE 5
TANGIBLE CAPITAL ASSETS

(in thousands)

	Equipment	Computer Hardware and Software	Other	Work in Progress*	2008 Total	2007 Total
Estimated Useful Life	10 years	5 years	3 years			
Historical Cost						
Beginning of year	$ 9,243	$ 802	$ 2,015	$ 1,098	$ 13,158	$ 7,075
Additions	2,917	105	510	1,298	4,830	6,502
Disposals, including write-downs	(125)	–	–	–	(125)	(419)
	$ 12,035	$ 907	$ 2,525	$ 2,396	$ 17,863	$ 13,158
Accumulated Amortization						
Beginning of year	$ 4,159	$ 180	$ 509	–	$ 4,848	$ 4,027
Amortization expense	984	101	380	–	1,465	1,240
Effect of disposals	(125)	–	–	–	(125)	(419)
	$ 5,018	$ 281	$ 889	–	$ 6,188	$ 4,848
Net Book Value at March 31, 2008	$ 7,017	$ 626	$ 1,636	$ 2,396	$ 11,675	
Net Book Value at March 31, 2007	$ 5,085	$ 955	$ 2,270	$ –		$ 8,310

*Work in Progress includes $1,192 for the Government of Alberta Domain Migration, $739 for the Secure Server Room, $312 for enhancements to existing systems and $153 for other equipment.

Notes to the Financial Statements

NOTE 6
CONTRACTUAL OBLIGATIONS

(in thousands)

As at March 31, 2008, the department is committed under contracts, which expire on various dates to March 31, 2012, totalling $558,525 (2007 – $529,680). This includes a commitment for the Provincial Police Service Agreement. The Provincial Police Service Agreement with Canada is a contract for the Royal Canadian Mounted Police to provide policing services to small communities and rural areas in Alberta. The term of this contract is from April 1, 1992 to March 31, 2012. The cost of this police service agreement for 2007/2008 was estimated at $150,680 (2007 – $143,065). Under the terms of the agreement, Alberta may terminate the agreement with a two-year notice served on March 31, in any year. The commitment, based on the minimum notice period, is estimated to be $502,274 as at March 31, 2008 (2007 – $475,148), which represents payments for policing services until March 31, 2011.

The department leases vehicles under operating leases, which expire on various dates to March 31, 2013. The aggregate amounts payable for the unexpired terms of these leases are as follows:

Year	(in thousands)
2009	$ 946
2010	412
2011	80
2012	35
2013	35
Total	$ 1,508

NOTE 7
CONTINGENCIES

(in thousands)

As at March 31, 2008, the department is a defendant in 87 legal claims (2007 – 74 legal claims). Seventy-seven of these claims have specified amounts totalling $220,127 and the remaining 10 have no specified amount (2007 – 68 claims with a specified amount of $190,985 and six with no specified amount). Included in the total legal claims are six claims amounting to $152,700 (2007 – five claims amounting to $128,500) in which the department was jointly named with other entities. Sixty-four claims amounting to $61,904 (2007 – 59 claims totalling $74,026) are covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

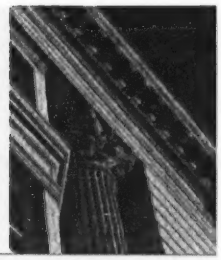
NOTE 8
TRUST FUNDS UNDER ADMINISTRATION

(in thousands)

The department administers trust funds that are regulated funds consisting of public money over which the Legislature has no power of appropriation. Because the province has no equity in the funds and administers them for the purpose of various trusts, they are not included in the department's financial statements.

Institutional Trust receives and disburses inmate funds used for their personal needs, as well as inmate welfare funds derived from various sources, that are administered on their behalf. As at March 31, 2008, the amount of the trust funds held under administration was $681 (2007 – $508) which comprises inmate trust funds of $287 (2007 – $210) and inmate welfare fund equity of $394 (2007 – $298).

Notes to the Financial Statements



NOTE 9
PAYMENTS UNDER AGREEMENT

(in thousands)

The department has an agreement to disburse the provincial share of net forfeitures from proceeds of crime on behalf of Justice Canada. Proceeds received from Canada under this agreement are in accordance with Section 10 of the *Federal Seized Property Management Act* resulting from the investigation efforts by law enforcement agencies in Alberta.

Disbursements to law enforcement agencies and crime and drug prevention organizations under this agreement are made by the department under authority of the *Financial Administration Act*, Section 25. Only the amounts received from Justice Canada and not disbursed, are reflected in these financial statements.

Amounts payable to law enforcement agencies and crime and drug prevention organizations under this agreement with Justice Canada, for the year ended March 31, 2008, are $33 (2007 – $161) and are reflected in the Statement of Financial Position.

The department also had a funding agreement with the Government of Canada. Costs incurred under this agreement are made by the department under authority of the *Financial Administration Act*, Section 25. Accounts receivable includes $0 (2007 – $42) under this agreement and is reflected in the Statement of Financial Position.

NOTE 10
DEFINED BENEFIT PLANS

(in thousands)

The department participates in the multi-employer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The department also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $13,294 for the year ended March 31, 2008 (2007 – $10,706).

At December 31, 2007, the Management Employees Pension Plan reported a deficiency of $84,341 (2006 – $6,765) and the Public Service Pension Plan reported a deficiency of $92,070 (2006 – surplus of $153,024). At December 31, 2007, the Supplementary Retirement Plan for Public Service Managers had a surplus of $1,510 (2006 – $3,698).

The department also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2008, the Bargaining Unit Plan reported an actuarial deficiency of $6,319 (2007 – actuarial surplus of $153) and the Management, Opted Out and Excluded Plan, an actuarial surplus of $7,874 (2007 – $10,148). The expense for these two plans is limited to employer's annual contributions for the year.

NOTE 11
COMPARATIVE FIGURES

(in thousands)

Certain 2007 figures have been reclassified to conform to the 2008 presentation.

NOTE 12
APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Senior Financial Officer and the Deputy Solicitor General and Deputy Minister of Public Security.

Schedule to the Financial Statements

SCHEDULE 1
REVENUES

Year Ended March 31, 2008
(in thousands)

	2008 Budget	2008 Actual	2007 Actual
Transfer from the Government of Canada			
Youth Justice Program	$ 17,557	$ 17,473	$ 17,199
Federal Inmates Program	2,800	2,606	2,811
Other	630	776	686
	20,987	20,855	20,696
Internal Government Transfers			
Transfer from Alberta Gaming and Liquor Commission	642,363	678,240	658,271
Transfer from Alberta Lottery Fund	1,600	1,600	1,600
	643,963	679,840	659,871
Premiums, Fees and Licenses			
Private Investigators Fees	350	514	418
Other	–	26	–
	350	540	418
Other Revenue			
Recoveries for Enhanced Policing Services	–	3,454	–
Refunds of Expenditures	25	435	89
Miscellaneous	15	700	639
	40	4,589	728
	$ 665,340	$ 705,824	$ 681,713

Schedule to the Financial Statements

SCHEDULE 2
EXPENSES – DIRECTLY INCURRED DETAILED BY OBJECT

Year Ended March 31, 2008
(in thousands)

	2008		2007
	Budget	Actual	Actual (Restated)
Voted			
Salaries, Wages and Employee Benefits	$ 197,222	$ 200,022	$ 167,659
Supplies and Services	230,778	225,809	203,094
Grants	64,924	67,388	62,818
Financial Transactions and Other	54	69	79
Amortization of Tangible Capital Assets	1,190	1,465	1,238
Total Voted Expenses	$ 494,168	$ 494,753	$ 434,888

Schedule to the Financial Statements

SCHEDULE 3
BUDGET

Year Ended March 31, 2008
(in thousands)

	2007 - 2008 Estimates	Authorized Supplementary (a)	2007 - 2008 Authorized Budget
Revenues			
Transfer from the Government of Canada	$ 20,987	$ –	$ 20,987
Internal Government Transfers			
Transfer from Alberta Gaming and Liquor Commission	642,363	–	642,363
Transfer from Lottery Fund	1,600	–	1,600
Premiums, Fees and Licenses	350	–	350
Other Revenue	40	–	40
	665,340	–	665,340
Expenses – Directly Incurred			
Voted			
Ministry Support Services	24,118	214	24,332
Public Security	292,079	4,699	296,778
Correctional Services	176,371	4,541	180,912
Gaming Research	1,600	–	1,600
	494,168	9,454	503,622
Statutory			
Valuation Adjustments			
Provision for Doubtful Accounts	100	–	100
Provision for Vacation Pay	67	–	67
	167	–	167
Total Expenses	494,335	9,454	503,789
Net Operating Results	$ 171,005	$ (9,454)	$ 161,551
Equipment/Inventory Purchases	$ 455	$ –	$ 455
Capital Investment	$ 23,894	$ 8,319	$ 32,213

(a) Supplementary Estimates were approved on July 17, 2007 and October 17, 2007.

Schedule to the Financial Statements

SCHEDULE 4
COMPARISON OF EXPENSES – DIRECTLY INCURRED, EQUIPMENT/INVENTORY PURCHASES AND STATUTORY EXPENSES BY ELEMENT TO AUTHORIZED BUDGET

Year Ended March 31, 2008
(in thousands)

Department Summary

Program	2007 - 2008 Estimates	Authorized Supplementary (a)	2007 - 2008 Authorized Budget	2007 - 2008 Actual Expense (b)	Unexpended (Over Expended)
Voted Operating, Equipment/ Inventory Purchases and Capital Investments					
1 Ministry Support Services	$ 48,012	$ 8,533	$ 56,545	$ 27,149	$ 29,396
2 Public Security	292,384	4,699	297,083	290,235	6,848
3 Correctional Services	176,521	4,541	181,062	180,469	593
4 Gaming Research	1,600	–	1,600	1,555	45
	$ 518,517	$ 17,773	$ 536,290	$ 499,408	$ 36,882
Operating Expense	$ 494,168	$ 9,454	$ 503,622	$ 494,753	$ 8,869
Equipment / Inventory Purchases	455	–	455	3,397	(2,942)
Capital Investment	23,894	8,319	32,213	1,258	30,955
	$ 518,517	$ 17,773	$ 536,290	$ 499,408	$ 36,882
Statutory Expenses					
Valuation Adjustments	$ 167	$ –	$ 167	$ 3,124	$ (2,957)
	$ 167	$ –	$ 167	$ 3,124	$ (2,957)

(a) Supplementary Estimates were approved on July 17, 2007 and October 17, 2007.
(b) Includes achievement bonus amounting to $1,810.

Schedule to the Financial Statements

SCHEDULE 4

COMPARISON OF EXPENSES – DIRECTLY INCURRED, EQUIPMENT/INVENTORY PURCHASES AND STATUTORY EXPENSES BY ELEMENT TO AUTHORIZED BUDGET

Year Ended March 31, 2008
(in thousands)

Program 1 – Ministry Support Services

Program	2007 - 2008 Estimates	Authorized Supplementary	2007 - 2008 Authorized Budget	2007 - 2008 Actual Expense	Unexpended (Over Expended)
1.0.1 Minister's Office	$ 402	$ 4	$ 406	$ 390	$ 16
1.0.2 Deputy Minister's Office	534	8	542	542	–
1.0.3 Communications	700	10	710	661	49
1.0.4 Corporate Services					
Operating Expense	8,215	84	8,299	5,406	2,893
Equipment/Inventory Purchases	–	–	–	19	(19)
1.0.5 Information Management					
Operating Expense	8,346	41	8,387	12,306	(3,919)
Equipment/Inventory Purchases	–	–	–	31	(31)
Capital Investment	23,894	8,319	32,213	1,258	30,955
1.0.6 Human Resources	4,323	62	4,385	4,422	(37)
Equipment/Inventory Purchases	–	–	–	290	(290)
1.0.7 Aboriginal Justice Initiatives	408	5	413	359	54
1.0.8 Amortization of Tangible Capital Assets	1,190	–	1,190	1,465	(275)
Total Program	$ 48,012	$ 8,533	$ 56,545	$ 27,149	$ 29,396

Schedule to the Financial Statements

SCHEDULE 4

COMPARISON OF EXPENSES – DIRECTLY INCURRED, EQUIPMENT/INVENTORY PURCHASES AND STATUTORY EXPENSES BY ELEMENT TO AUTHORIZED BUDGET

Year Ended March 31, 2008
(in thousands)

Program 2 – Public Security

Program	2007 - 2008 Estimates	Authorized Supplementary	2007 - 2008 Authorized Budget	2007 - 2008 Actual Expense	Unexpended (Over Expended)
2.1 Program Support					
2.1.1 Program Support Services	$ 397	$ 12	$ 409	$ 385	$ 24
2.1.2 Law Enforcement Review Board	631	7	638	567	71
Total Sub-program	1,028	19	1,047	952	95
2.2 Policing Programs					
2.2.1 Crime Prevention	1,782	11	1,793	1,855	(62)
2.2.2 Provincial Policing Programs					
Operating Expense	167,981	3,259	171,240	161,234	10,006
Equipment/Inventory Purchases	–	–	–	3	(3)
2.2.3 First Nations Policing	9,089	–	9,089	7,829	1,260
2.2.4 Policing Assistance to Municipalities					
Operating Expense	46,634	–	46,634	46,650	(16)
2.2.5 Organized Crime					
Operating Expense	17,732	–	17,732	23,032	(5,300)
Total Sub-program	243,218	3,270	246,488	240,603	5,885
2.3 Sheriff's Branch					
2.3.1 Protection Services					
Operating Expense	6,270	149	6,419	6,973	(554)
Equipment/Inventory Purchases	30	–	30	564	(534)
2.3.2 Security Operations					
Operating Expense	27,520	903	28,423	28,317	106
Equipment/Inventory Purchases	275	–	275	1,032	(757)
2.3.3 Traffic Safety					
Operating Expense	10,658	269	10,927	8,233	2,694
Equipment/Inventory Purchases	–	–	–	766	(766)
2.3.4 Investigative Support					
Operating Expense	1,985	57	2,042	1,852	190
Equipment/Inventory Purchases	–	–	–	94	(94)
2.3.5 Warrant Apprehension					
Operating Expense	1,400	32	1,432	736	696
Equipment/Inventory Purchases	–	–	–	113	(113)
Total Sub-program	48,138	1,410	49,548	48,680	868
Total Program	$ 292,384	$ 4,699	$ 297,083	$ 290,235	$ 6,848

Schedule to the Financial Statements

SCHEDULE 4
COMPARISON OF EXPENSES – DIRECTLY INCURRED, EQUIPMENT/INVENTORY PURCHASES AND STATUTORY EXPENSES BY ELEMENT TO AUTHORIZED BUDGET

Year Ended March 31, 2008
(in thousands)

Program 3 – Correctional Services

Program	2007 - 2008 Estimates	Authorized Supplementary	2007 - 2008 Authorized Budget	2007 - 2008 Actual Expense	Unexpended (Over Expended)
3.1 Program Support					
3.1.1 Program Support Services	$ 2,548	$ 48	$ 2,596	$ 2,013	$ 583
Total Sub-program	2,548	48	2,596	2,013	583
3.2 Institutional Services					
3.2.1 Adult Remand and Correctional Centres					
Operating Expense	117,626	3,147	120,773	120,358	415
Equipment/Inventory Purchases	150	–	150	422	(272)
3.2.2 Young Offender Centres					
Operating Expense	22,517	628	23,145	23,537	(392)
Equipment/Inventory Purchases	–	–	–	39	(39)
Total Sub-program	140,293	3,775	144,068	144,356	(288)
3.3 Community Correctional Services					
3.3.1 Adult Services	24,357	614	24,971	25,278	(307)
Equipment/Inventory Purchases	–	–	–	24	(24)
3.3.2 Young Offender Services	9,323	104	9,427	8,798	629
Total Sub-program	33,680	718	34,398	34,100	298
Total Program	$ 176,521	$ 4,541	$ 181,062	$ 180,469	$ 593

Program 4 – Gaming Research

Program	2007 - 2008 Estimates	Authorized Supplementary	2007 - 2008 Authorized Budget	2007 - 2008 Actual Expense	Unexpended (Over Expended)
4.1 Gaming Research					
4.1.1 Gaming Research Operating Expenses Funded by Lotteries	$ 1,600	$ –	$ 1,600	$ 1,555	$ 45
Total Sub-program	1,600	–	1,600	1,555	45
Total Program	$ 1,600	$ –	$ 1,600	$ 1,555	$ 45

Schedule to the Financial Statements

SCHEDULE 5
SALARY AND BENEFIT DISCLOSURE

Year Ended March 31, 2008

	2008				2007
	Base Salary[1]	Other Cash Benefits[2]	Other Non Cash Benefits[3]	Total	Total
Deputy Minister[4], [5]	$ 230,520	$ 54,500	$ 55,972	$ 340,992	$ 302,804
Assistant Deputy Minister, Public Security	164,736	28,000	38,218	230,954	217,609
Assistant Deputy Minister, Correctional Services	155,592	26,500	38,535	220,627	197,239
Assistant Deputy Minister, Corporate Services/ Senior Financial Officer	144,506	25,000	36,167	205,673	180,491
Executive Director, Human Resources	134,868	23,000	30,882	188,750	193,978
Executive Director, Information Technology	134,868	23,000	32,929	190,797	180,399
Executive Director, Special Projects	143,664	20,500	34,709	198,873	194,419
Director, Aboriginal Justice Initiatives	110,664	13,500	27,422	151,586	142,015

Prepared in accordance with Treasury Board Directive 12/98 as amended.

Total salary and benefits relating to a position are disclosed.

(1) Base salary includes regular base pay.

(2) Other cash benefits include bonuses, vacation payouts and lump sum payments.

(3) Other non-cash benefits include the government's share of all employee benefits and contributions or payments made on behalf of employees including pension and supplementary retirement plan, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships and tuition fees.

(4) Automobile provided, no dollar amount included in benefits and allowances.

(5) This position was occupied by two individuals through the year. The effective date of transfer of the new deputy minister was March 14, 2008. This schedule includes the former deputy minister's salary and benefits cost for the year ended March 31, 2008. Salary and benefits cost for the new deputy minister is included in Alberta Sustainable Resource Development's Financial Statements.

Schedule to the Financial Statements

SCHEDULE 6
RELATED PARTY TRANSACTIONS

Year Ended March 31, 2008
(in thousands)

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the department.

The department and its employees paid or collected certain taxes and fees set by regulation for permits, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The department had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2008	2007	2008	2007
Revenues				
Internal Government Transfers	$ 679,840	$ 659,871	$ –	$ –
Expenses – Directly Incurred				
Service Alberta	$ –	$ –	$ 3,104	$ 2,832
Parking	–	–	4	3
	$ –	$ –	$ 3,108	$ 2,835
Receivable from AGLC	$ 297,271	$ 275,086	$ –	$ –
Payable to Department of Tourism, Parks, Recreation and Culture	$ –	$ –	$ –	$ 268

The above transactions do not include support service arrangement transactions disclosed in Schedule 2.

The department also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed in Schedule 7.

	Entities in the Ministry		Other Entities	
	2008	2007	2008	2007
Expenses – Incurred by Others				
Accommodation	$ –	$ 80	$ 35,731	$ 30,758
Legal	–	–	358	374
Service Alberta	–	–	3,467	3,411
Corporate Internal Audit Services	–	–	87	130
	$ –	$ 80	$ 39,643	$ 34,673

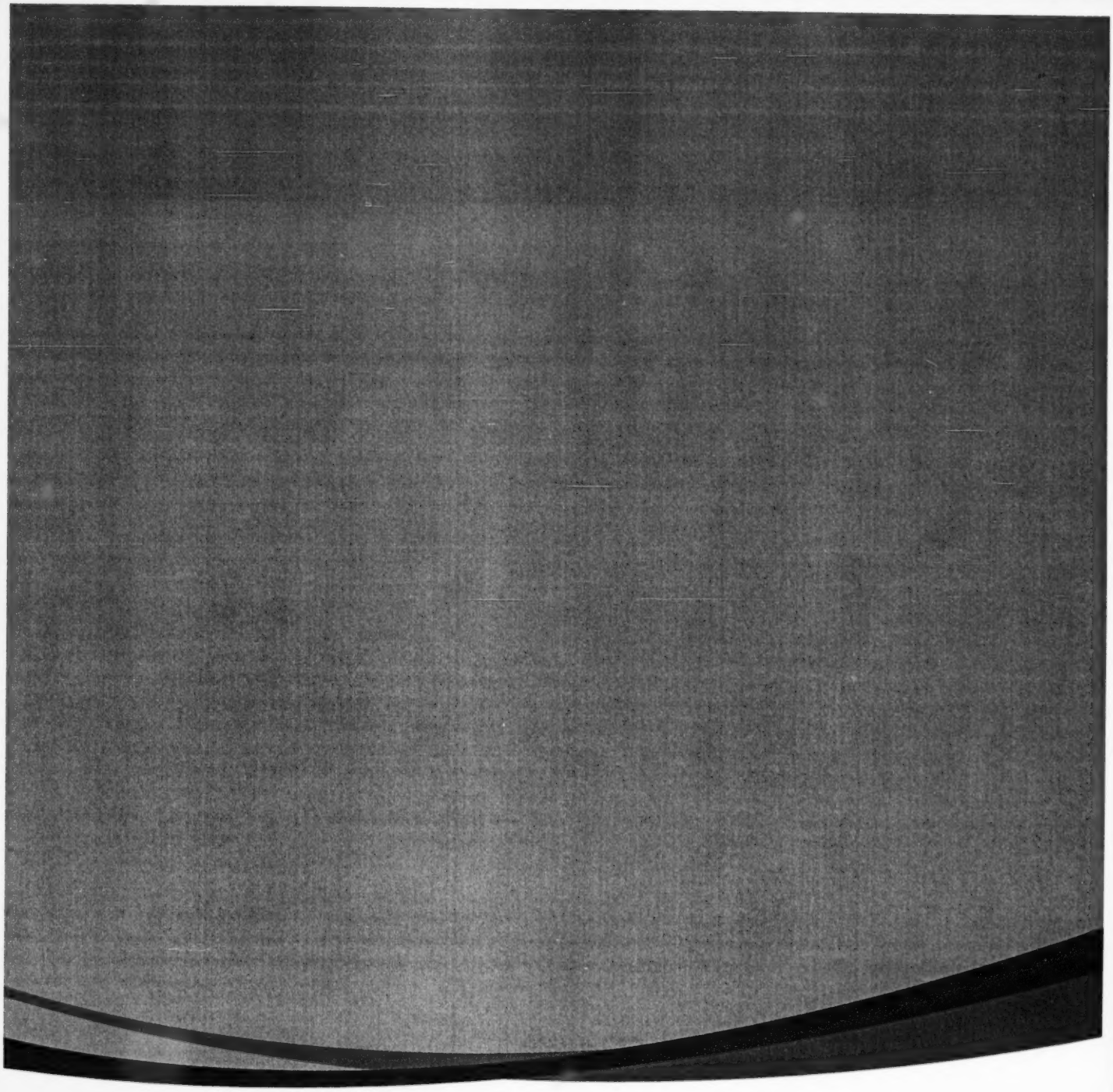
Schedule to the Financial Statements

SCHEDULE 7
ALLOCATED COSTS

Year Ended March 31, 2008
(in thousands)

	2008								2007
		Expenses – Incurred by Others				Valuation Adjustments (4)			
Program	Expenses (1)	Accommodation Costs (2)	Legal Services (3)	Service Alberta	Corporate Internal Audit Services	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses (Restated) (3)
Ministry Support Services	$ 25,551	$ 1,211	$ 100	$ 3,467	$ 87	$ 563	$ –	$ 30,979	$ 24,192
Public Security	287,663	1,422	55	–	–	902	–	290,042	257,361
Correctional Services	179,984	33,098	203	–	–	1,659	–	214,944	188,028
Gaming Research	1,555	–	–	–	–	–	–	1,555	1,528
	$ 494,753	$ 35,731	$ 358	$ 3,467	$ 87	$ 3,124	$ –	$ 537,520	$ 471,109

(1) Expenses – Directly Incurred as per Statement of Operations, excluding valuation adjustments.
(2) Costs for Accommodation (includes grants in lieu of taxes) on Schedule 6.
(3) Cost shown for Legal Services on Schedule 6, estimated costs incurred by each program.
(4) Valuation Adjustments as per Statement of Operations. Employee Benefits for vacation pay was allocated to the program by employee.



Alberta Gaming and Liquor Commission Financial Statements

Auditor's Report

AUDITOR GENERAL *Alberta*

To the Members of the Alberta Gaming and Liquor Commission

I have audited the balance sheet of the Alberta Gaming and Liquor Commission as at March 31, 2008 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Commission's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Commission as at March 31, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Original signed by Fred J. Dunn, FCA

Auditor General

Edmonton, Alberta
May 9, 2008

The official version of this Report of the Auditor General, and the information the Report covers, is in printed form.

Balance Sheet

At March 31, 2008
(in thousands)

	2008	2007
ASSETS		
Current Assets		
Cash (Note 3)	$ 242,185	$ 237,380
Accounts receivable	42,579	43,296
Prepaid expenses and inventories (Note 4)	10,896	11,298
	295,660	291,974
Property, Plant and Equipment (Note 5)	238,497	203,547
	$ 534,157	$ 495,521
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	$ 152,833	$ 139,402
Due to the Alberta Lottery Fund (Note 7)	81,023	77,795
	233,856	217,197
Due to General Revenues (Note 8)	297,271	275,031
Provision for Loss on Leased Properties (Note 13)	3,030	3,293
	$ 534,157	$ 495,521

The accompanying notes are part of these financial statements.

The financial statements of the Alberta Gaming and Liquor Commission were approved by the Board and the Chief Executive Officer of the Commission.

Statement of Operations

Year Ended March 31, 2008
(in thousands)

	Budget 2008	Actual 2008			Actual 2007
	(Note 9)	Provincial Lotteries	Liquor and Other	Total	
REVENUE					
Gaming terminals	$	$ 15,129,177	$ –	$ 15,129,177	$ 12,618,563
Video lottery terminals		10,553,986	–	10,553,986	11,074,490
Liquor		–	1,966,348	1,966,348	1,856,939
Ticket lottery		604,193	–	604,193	578,252
Electronic bingo		42,019	–	42,019	36,582
		26,329,375	1,966,348	28,295,723	26,164,826
PRIZES AND COST OF PRODUCT					
Gaming terminals		13,927,249	–	13,927,249	11,620,738
Video lottery terminals		9,716,012	–	9,716,012	10,198,209
Liquor		–	1,286,096	1,286,096	1,195,318
Ticket lottery		320,722	–	320,722	300,509
Electronic bingo		29,105	–	29,105	24,510
		23,993,088	1,286,096	25,279,184	23,339,284
Gross Profit	2,815,943	2,336,287	680,252	3,016,539	2,825,542
Commissions and Federal Payments (Note 10)	(507,219)	(552,931)	–	(552,931)	(494,356)
Other Income (Note 11)	12,359	–	19,601	19,601	17,949
Operating Expenses (Note 12)	(230,313)	(168,100)	(21,613)	(189,713)	(157,030)
Net Operating Results	$ 2,090,770	$ 1,615,256	$ 678,240	$ 2,293,496	$ 2,192,105

Statement of Cash Flows

Year Ended March 31, 2008
(in thousands)

	2008	2007
CASH FROM OPERATIONS		
Net operating results for the year	$ 2,293,496	$ 2,192,105
Decrease in provision for loss on leased properties	(263)	(361)
Amortization	54,230	43,110
Loss (gain) on disposal of property, plant and equipment	348	(663)
Net change in non-cash working capital balances	14,550	42,204
	2,362,361	2,276,395
Remittances to the Alberta Lottery Fund	(1,612,028)	(1,517,755)
Remittances to General Revenues	(656,000)	(584,000)
	94,333	174,640
CASH USED FOR INVESTMENT		
Purchase of property, plant and equipment	(89,733)	(76,544)
Proceeds on disposal of property, plant and equipment	205	938
	(89,528)	(75,606)
INCREASE IN CASH	4,805	99,034
CASH, beginning of year	237,380	138,346
CASH, end of year	$ 242,185	$ 237,380

Notes to the Financial Statements

NOTE 1
AUTHORITY AND PURPOSE

The Alberta Gaming and Liquor Commission (the Commission) operates under the authority of the *Gaming and Liquor Act*, Chapter G-1, Revised Statutes of Alberta 2000.

The Commission conducts and manages provincial lotteries, carries out functions respecting gaming under the *Criminal Code* (Canada), and controls, in accordance with legislation, the manufacture, importation, sale and purchase of liquor for the Government of Alberta. It also administers the Alberta Lottery Fund.

Amendments to the *Gaming and Liquor Act*, proclaimed June 24, 2002, allow the Commission to deduct operating expenses from the remittances to the Alberta Lottery Fund and General Revenues. The net proceeds, after the deduction of related operating expenses, arising from the conduct of authorized gaming terminal, video lottery, ticket lottery and electronic bingo in Alberta are remittable to the Alberta Lottery Fund. The net proceeds, after the deduction of related operating expenses, of liquor operations and other income are remittable to General Revenues.

Under the Excise Tax Act and Games of Chance (GST/HST) Regulations, the Commission is required to pay GST and Federal Tax on gaming operations. However, the Commission as a Crown agent of the Government of Alberta, has a tax-exempt status for its liquor and regulatory operations.

NOTE 2
SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles applied on a consistent basis. The preparation of financial statements for a period necessarily involves the use of estimates. Actual results could differ from those estimates. These financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below.

Joint Venture

Alberta's share of the operations of the Western Canada Lottery Corporation (WCLC) is accounted for as a joint venture using the proportionate consolidation method. WCLC is a non-profit organization authorized to manage, conduct and operate ticket lottery activities for its members, the governments of Alberta, Saskatchewan and Manitoba. The Yukon Territory, the Northwest Territories and Nunavut participate as associate members. Under the proportionate consolidation method, each participant records their share of WCLC revenues, expenses, assets and liabilities.

Inventories

Gaming parts and supplies inventories are valued at weighted average cost which is not in excess of net replacement value.

Liquor inventory held on behalf of liquor suppliers or agents, and related duties and taxes, are not recorded in the financial statements.

Notes to the Financial Statements

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, accounts payable and accrued liabilities are estimated to approximate their carrying values, because of the short term nature of these instruments.

Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated amortization. Amortization is calculated on the straight-line method which will reduce the original cost to estimated residual value over the expected useful lives of the assets, as follows:

- buildings and leasehold improvements – 40 years or lease term
- gaming systems and equipment – 10 years or 3 years
- video lottery and gaming terminals – 7 years
- furniture and equipment – 10 years or 5 years
- retailer fixtures and signage – 5 years
- computer software – 3 years
- vehicles – 5 years or 3 years

Property, plant and equipment are not amortized until the assets are put into use.

Pensions

The Commission participates in multi-employer pension plans with related government entities. Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year and additional employer contributions for service related to prior years.

Defined contribution plan accounting is used because insufficient information is available to apply defined benefit plan accounting.

Revenue and Expense Recognition

Revenue from gaming terminals, video lottery terminals and electronic bingo is recognized at the time that play has been completed and all machine credits have been played or converted to cash. Prizes, commissions and federal payments related to gaming terminals, video lottery terminals and electronic bingo are recognized on the same basis as the related revenues.

On-line ticket lottery revenues are recognized at the date of the draw with instant ticket revenues being recognized at the date activated for sale by the retailer. Prizes, commissions and federal payments relating to ticket revenues are recognized on the same basis as the related revenues.

Revenue from the sale of liquor is recognized when goods are shipped and title has passed to the customer. Revenue received in advance of shipment is deferred and recognized when goods are shipped and title has passed to the customer. Cost of product sold related to liquor is recognized on the same basis as the related revenues.

Allocation of Operating Expenses

Operating expenses are allocated against Provincial Lotteries Revenue or Liquor and Other Revenue, based on the nature of the expense.

NOTE 3
CASH

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. The CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high quality, short-term and mid-term fixed income securities with a maximum term to maturity of three years. As at March 31, 2008, securities held by the Fund have an average effective market yield of 4.81% per annum (March 31, 2007: 4.36% per annum). Due to the short-term nature of CCITF investments, the carrying value approximates fair value.

Notes to the Financial Statements

NOTE 4
PREPAID EXPENSES AND INVENTORIES

(in thousands)

	2008	2007
Prepaid expenses	$ 3,165	$ 4,803
Gaming parts	7,209	5,770
Supplies	522	725
	$ 10,896	$ 11,298

NOTE 5
PROPERTY, PLANT AND EQUIPMENT

(in thousands)

	2008			2007
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	$ 4,113	$ –	$ 4,113	$ 4,113
Buildings and leasehold improvements	54,779	42,248	12,531	11,847
Gaming systems and equipment	74,271	46,834	27,437	12,596
Gaming terminals	244,895	89,933	154,962	121,621
Video lottery terminals	81,302	52,231	29,071	40,593
Furniture and equipment	38,895	37,023	1,872	4,828
Retailer fixtures and signage	9,101	7,882	1,219	1,245
Computer software	26,012	19,562	6,450	6,376
Vehicles	3,556	2,714	842	328
	$ 536,924	$ 298,427	$ 238,497	$ 203,547

NOTE 6
DEFINED BENEFIT PLANS

(in thousands)

The Commission participates in the multi-employer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Commission also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $3,343 for the year ended March 31, 2008 (2007 – $2,813). The Commission's portion of the Western Canada Lottery Corporation pension expense is $725 for the year ended March 31, 2008 (2007 – $616).

At December 31, 2007, the Management Employees Pension Plan reported a deficiency of $84,341 (2006 – deficiency of $6,765) and the Public Service Pension Plan reported a deficiency of $92,070 (2006 – surplus of $153,024). At December 31, 2007, the Supplementary Retirement Plan for Public Service Managers had a surplus of $1,510 (2006 – surplus of $3,698). The Commission's portion of the Western Canada Lottery Corporation deficiency as at March 31, 2008 is $1,266 (2007 – deficiency of $2,514).

Notes to the Financial Statements

NOTE 7
DUE TO THE ALBERTA LOTTERY FUND

(in thousands)

This amount represents the portion of the revenues from provincial lottery operations which has not been remitted to the Alberta Lottery Fund.

	2008	2007
Due to the Alberta Lottery Fund, beginning of year	$ 77,795	$ 61,716
Net operating results, Provincial Lotteries	1,615,256	1,533,834
Remittances to the Alberta Lottery Fund	(1,612,028)	(1,517,755)
Due to the Alberta Lottery Fund, end of year	$ 81,023	$ 77,795

Amounts due to the Alberta Lottery Fund are unsecured, non-interest bearing and have no specific terms of repayment.

NOTE 8
DUE TO GENERAL REVENUES

(in thousands)

Due to General Revenues reflects the outstanding balance due to General Revenues from liquor operations and other income, as follows:

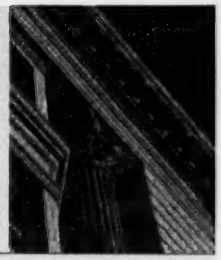
	2008	2007
Due to General Revenues, beginning of year	$ 275,031	$ 200,760
Net operating results, Liquor and Other	678,240	658,271
Remittances to General Revenues	(656,000)	(584,000)
Due to General Revenues, end of year	$ 297,271	$ 275,031

Amounts due to General Revenues are unsecured, non-interest bearing and have no specific terms of repayment.

NOTE 9
BUDGET

The Commission includes its annual budget, on a summarized basis, in its business plan. The summarized budget receives approval by the minister responsible for the Commission on recommendation from the Commission Board and becomes part of the fiscal plan of the government.

Notes to the Financial Statements



NOTE 10
COMMISSIONS AND FEDERAL PAYMENTS

(in thousands)

	2008	2007
Commissions		
Gaming terminals:		
- Operators	$ 177,550	$ 147,672
- Charities	169,379	139,257
Video lottery terminals	125,595	131,390
Ticket lottery	41,689	39,837
Electronic bingo	3,874	3,621
	518,087	461,777
Federal Tax Expenses (a)		
Gaming terminals	14,394	11,698
Video lottery terminals	9,608	9,825
Ticket lottery	3,735	3,908
Electronic bingo	255	464
	27,992	25,895
Payment to Federal Government (b)	6,852	6,684
	$ 552,931	$ 494,356

(a) As prescribed by the Games of Chance (GST/HST) Regulations, taxes are paid to the Government of Canada in lieu of the Goods and Services Tax (GST) on gaming terminal, video lottery, ticket lottery and electronic bingo sales based on a prescribed formula. This tax is in addition to the GST paid on the purchase of goods and services for which credit is denied under the formula.

(b) This payment represents the Province of Alberta's share of payments to the Government of Canada as a result of an agreement between the provincial governments and the federal government on the withdrawal of the federal government from the lottery field. The payment is made by the Western Canada Lottery Corporation on behalf of Alberta, and is based on current population statistics and its share of ticket lottery sales.

Notes to the Financial Statements

NOTE 11
OTHER INCOME

(in thousands)

	2008	2007
Interest revenue	$ 9,783	$ 7,506
Licences	5,972	5,635
Miscellaneous	1,442	1,686
Liquor levies	1,207	904
Premises rental revenue	782	778
Retailer service fees	619	600
Fines and violations	144	177
Gain (loss) on disposal of property, plant and equipment	(348)	663
	$ 19,601	$ 17,949

NOTE 12
OPERATING EXPENSES

(in thousands)

	2008	2007
Salaries and benefits	$ 55,159	$ 46,512
Amortization	54,230	43,110
Leased gaming terminals	22,962	17,469
Data communications	11,991	10,611
Media and media production	8,113	7,537
Ticket printing	7,649	7,379
Equipment and vehicles	7,279	7,089
Fees and services	5,966	4,126
Travel and training	3,341	2,921
Data processing	2,763	1,480
Property	2,345	2,529
Stationery and supplies	1,785	1,346
Retailer relations	1,754	1,231
Freight and product delivery	1,649	1,190
Insurance and bank charges	1,273	974
Miscellaneous	1,172	1,267
Presentations and publications	189	167
Product expense	99	98
Overhead and other	(6)	(6)
	$ 189,713	$ 157,030

Notes to the Financial Statements

NOTE 13
COMMITMENTS

(in thousands)

The Commission has a number of lease obligations, including regional offices, gaming warehouses and former retail liquor stores that operate under lease arrangements with terms ranging from 1 to 24 years. Most of these former properties have been subleased to third parties. The Commission remains liable for the leases should the sublessor default on their obligations to the Commission. The Commission's future minimum lease payments, including its proportionate share of the Western Canada Lottery Corporation commitments, is summarized as follows:

Fiscal		
2008-09	$	2,389
2009-10		2,028
2010-11		1,786
2011-12		1,712
2012-13		1,298
Balance to expiry		1,589
	$	10,802

Estimated future revenues to be derived from subleases amount to $4.82 million at March 31, 2008. Provision for loss on leased properties of $3.03 million (2007 – $3.293 million) has been made where the payments to be received on the sub-leases are less than the lease payments to be made.

NOTE 14
CONTINGENCIES

At March 31, 2008, the Commission is a defendant in 9 legal claims (2007 – 10 legal claims) having specified amounts totalling $139 million (2007 – $143 million). Included in the total claims are 7 claims in which the Commission has been jointly named with other entities.

The Commission entered into a lease amending agreement with a tenant on March 23, 2007. Under the terms of the agreement, the Commission has agreed to pay for certain capital investments up to $6.4 million and would also assume certain third party premise leases for the remainder of the lease term, if a significant change in the terms of the tenant's appointment occurs before February 28, 2012.

The resulting loss, if any, from these claims cannot be determined.

Notes to the Financial Statements

NOTE 15
FUNDS UNDER ADMINISTRATION

Effective July 2, 2007, the Commission assumed management of the collection, investment and distribution of the charities' share of proceeds/losses from table games at licensed charitable casino events. Previously these activities were managed by third party trustees.

The share of proceeds/losses from these table games allocated to charities is established in policy and by agreement between the participating charity and the relevant casino operator. These allocations are collected by the Commission and pooled by casino or region over a three month period. The pooled funds earn interest and the Commission deducts administrative fees from the pools. The net proceeds in each pool at the end of the pooling period are distributed equally to each charity holding a licensed charitable casino event in the casino/region during the pooling period.

At March 31, 2008 funds under administration were $15.0 million.

Notes to the Financial Statements

NOTE 16
SALARIES AND BENEFITS

(in thousands)

	2008				2007
	Base Salary (a)	Other Cash Benefits (b)	Other Non-cash Benefits (c)	Total	Total
Senior Officers					
Chairperson (d) (e)	$ 192	$ 389	$ 4	$ 585	$ 302
Board Members	161	–	–	161	133
Chief Executive Officer (d) (f)	198	410	33	641	317
Executives					
Executive Director, Gaming Product and Services	164	64	40	268	207
Executive Director, Corporate Services	161	32	42	235	174
Executive Director, Information Systems	149	27	36	212	172
Executive Director, Liquor Supply and Distribution (g)	145	21	36	202	–
Executive Director, Regulatory (h)	115	34	23	172	215

a) Base salary includes regular base pay.

b) Other cash benefits includes bonuses, vacation payouts, payments in place of pension participation, and lump sum payments.

c) Other non-cash benefits include the Commission's share of all employee benefits and contributions or payments made on behalf of employees including pension and supplementary retirement plan, health care, dental coverage, group life insurance, short and long term disability, professional memberships, and tuition fees.

d) Automobile provided, no dollar amount included in other non-cash benefits.

e) The full-time Chairman retired on November 30, 2007. The Commission Board is now headed by a part time Chairperson. The Chairman received a salary, cash and non-cash benefits and an automobile as compensation. The Chairperson is remunerated based on the Committee Remuneration Order.

f) The position was occupied by two individuals through the year.

g) The position was created on April 1, 2007.

h) The position was occupied by three individuals through the year.

Notes to the Financial Statements

NOTE 17
JOINT VENTURE – TICKET LOTTERY OPERATIONS

(in thousands)

Alberta's share of the Western Canada Lottery Corporation joint venture is accounted for using the proportionate consolidation method. The Commission has included in its accounts the following aggregate amounts:

	2008	2007
Balance Sheet		
Current assets	$ 29,764	$ 51,414
Property, plant and equipment	22,558	8,699
	$ 52,322	$ 60,113
Current liabilities	$ 27,975	$ 27,045
Equity in joint venture	24,347	33,068
	$ 52,322	$ 60,113

	2008	2007
Statement of Operations		
Gross profit	$ 231,298	$ 227,432
Operating expenses	(31,482)	(28,409)
Net operating results	$ 199,816	$ 199,023
Statement of Cash Flows		
Cash from operations	$ 209,123	$ 199,759
Cash used for investment	$ 16,850	$ 2,149

Notes to the Financial Statements

NOTE 18
RELATED PARTY TRANSACTIONS

(in thousands)

The Commission has the following transactions with Government of Alberta departments for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. The amounts are not included in the financial statements.

	2008	2007
Revenues		
Accommodation	$ 321	$ –
Forensic Audit	46	–
Information Technology	40	–
Financial Services	12	–
	$ 419	$ –

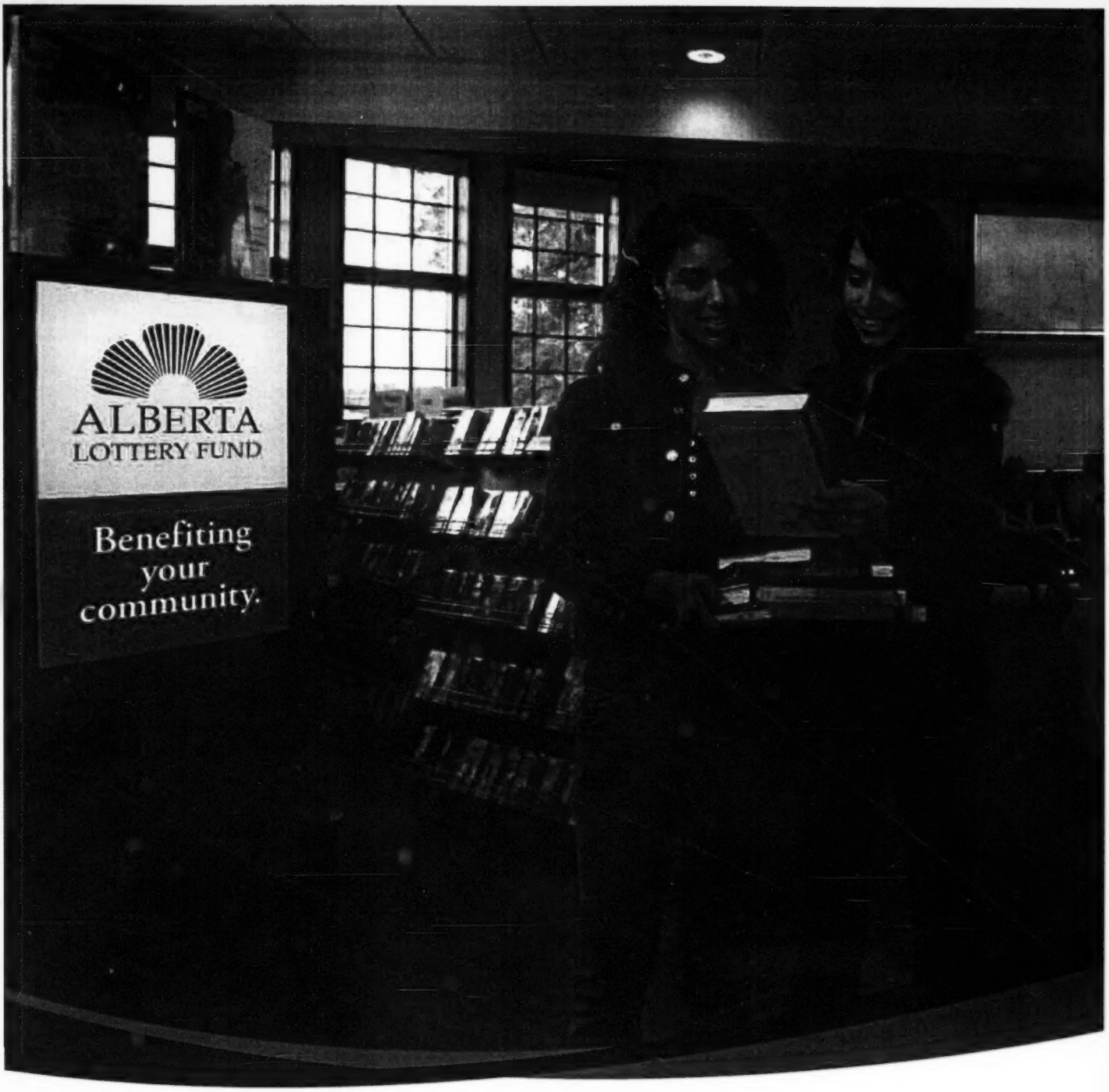
	2008	2007
Expenses – Incurred by Others		
Legal Services	$ 301	$ 173
Internal Audit	55	70
Other Travel Costs	4	–
Accommodation	–	4
	$ 360	$ 247

The Commission also had the following transactions with Government of Alberta departments recorded on the Statement of Operations at the amount of consideration agreed upon between the related parties:

	2008	2007
Finance – Risk Management and Insurance	$ 265	$ 240
Service Alberta	57	236
Infrastructure and Transportation	5	5
	$ 327	$ 481

NOTE 19
COMPARATIVE FIGURES

Certain 2007 figures have been reclassified to conform to the 2008 presentation.



Alberta Lottery Fund Financial Statements

Auditor's Report

AUDITOR GENERAL *Alberta*

To the Members of the Alberta Gaming and Liquor Commission

I have audited the balance sheet of the Alberta Lottery Fund as at March 31, 2008 and the statement of revenue, expenditure and fund equity for the year then ended. These financial statements are the responsibility of the Commission's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Alberta Lottery Fund as at March 31, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Original signed by Fred J. Dunn, FCA

Auditor General

Edmonton, Alberta
May 9, 2008

The official version of this Report of the Auditor General, and the information the Report covers, is in printed form.

ALBERTA LOTTERY FUND

Balance Sheet

At March 31, 2008
(in thousands)

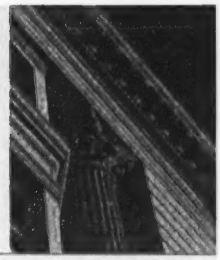
	2008	2007
ASSETS		
Cash (Note 3)	$ 170,234	$ 101,250
Due from Alberta Gaming and Liquor Commission (Note 4)	81,023	77,795
	$ 251,257	$ 179,045
LIABILITIES AND FUND EQUITY		
Accounts payable (Note 5)	$ 198,482	$ 126,270
Fund equity	52,775	52,775
	$ 251,257	$ 179,045

The accompanying notes are part of these financial statements.

The financial statements for the Alberta Lottery Fund were approved by the Board and the Chief Executive Officer of the Alberta Gaming and Liquor Commission.

ALBERTA
LOTTERY FUND

Statement of Revenue, Expenditure and Fund Equity



Year Ended March 31, 2008
(in thousands)

	2008		2007
	Budget (Note 19)	Actual	Actual
REVENUE			
Proceeds from lottery operations (Note 6)	$ 1,448,407	$ 1,615,256	$ 1,533,834
Interest	6,000	17,172	15,028
	1,454,407	1,632,428	1,548,862
EXPENDITURE			
Transfers to Departments			
Advanced Education and Technology (Note 7)	104,043	104,043	103,957
Agriculture and Food (Note 8)	22,220	22,220	22,220
Children's Services (Note 9)	55,500	55,500	49,500
Education (Note 10)	129,100	129,100	129,100
Employment, Immigration and Industry (Note 11)	12,769	12,769	12,769
Environment (Note 12)	500	500	500
Health and Wellness (Note 13)	279,497	279,497	362,803
Infrastructure and Transportation (Note 14)	175,000	175,000	175,000
International, Intergovernmental and Aboriginal Relations (Note 15)	200	200	–
Municipal Affairs and Housing (Note 16)	26,000	26,000	26,000
Solicitor General and Public Security (Note 17)	1,600	1,600	1,600
Tourism, Parks, Recreation and Culture (Note 18)	556,805	548,861	274,925
Contingency Allowance/ Alberta Sustainability Fund	91,173	277,138	390,488
	1,454,407	1,632,428	1,548,862
Excess of revenue over expenditure for the year	–	–	–
Fund equity, beginning of year	52,775	52,775	52,775
Transfers to General Revenues	–	–	–
Fund equity, end of year	$ 52,775	$ 52,775	$ 52,775

ALBERTA LOTTERY FUND

Notes to the Financial Statements

NOTE 1
AUTHORITY AND PURPOSE

The Lottery Fund is administered by the Alberta Gaming and Liquor Commission under the *Gaming and Liquor Act*, Chapter G-1, Revised Statutes of Alberta 2000. The Lottery Fund receives the proceeds from lottery operations (see Note 6) and makes payments therefrom in the public interest in order to support thousands of volunteer, public and community-based initiatives.

The *Appropriation Act*, 2007 authorized payments from the Lottery Fund as presented in the 2007-2008 Estimates, and provided for flexibility in the amount allocated from the Lottery Fund to the Contingency Allowance / Alberta Sustainability Fund so that the net revenue of the Lottery Fund would be zero at the year ended March 31, 2008.

The transfer of funds to certain programs is based on gaming proceeds generated at related gaming facilities, in accordance with government policy direction. For these programs, the amount transferred may differ from the budgeted amount.

The accountability and utilization of Lottery Fund amounts transferred to entities within the Government of Alberta may be determined and confirmed by referencing the respective entity's financial statements.

NOTE 2
SIGNIFICANT ACCOUNTING POLICIES

Cash Flows

A statement of cash flows is not provided as disclosure in these financial statements is considered to be adequate.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable and accounts payable are estimated to approximate their carrying values because of the short term nature of these instruments.

NOTE 3
CASH

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. The CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high quality, short-term and mid-term fixed income securities with a maximum term to maturity of three years. As at March 31, 2008, securities held by the Fund have an average effective market yield of 4.81% per annum (March 31, 2007: 4.36% per annum). Due to the short-term nature of CCITF investments, the carrying value approximates fair value.

Notes to the Financial Statements

NOTE 4
DUE FROM THE ALBERTA GAMING AND LIQUOR COMMISSION

(in thousands)

This amount represents the portion of the revenues from lottery operations which has not been remitted by the Alberta Gaming and Liquor Commission (AGLC) to the Alberta Lottery Fund at year-end.

	2008	2007
Due from AGLC, beginning of year	$ 77,795	$ 61,716
Remittable from AGLC	1,615,256	1,533,834
Remittances from AGLC	(1,612,028)	(1,517,755)
Due from AGLC, end of year	$ 81,023	$ 77,795

NOTE 5
ACCOUNTS PAYABLE

Accounts payable consists primarily of outstanding payments to the Department of Finance for the Contingency Allowance /Alberta Sustainability Fund, with the balance representing outstanding net payments to the Department of Tourism, Parks, Recreation and Culture.

NOTE 6
PROCEEDS FROM LOTTERY OPERATIONS

(in thousands)

Proceeds of provincial lotteries received by the Alberta Gaming and Liquor Commission are recorded as revenue of the Fund after the deduction of related operating expenses.

	2008	2007
Income from gaming terminals	$ 840,605	$ 699,198
Income from video lottery terminals	702,771	735,066
Income from ticket lottery	231,195	227,314
Income from electronic bingo	8,785	7,987
Less operating expenses	(168,100)	(135,731)
Proceeds from lottery operations	$ 1,615,256	$ 1,533,834

Notes to the Financial Statements

NOTE 7
ADVANCED EDUCATION AND TECHNOLOGY

(in thousands)

Transfers to support post-secondary education, scientific initiatives and communication initiatives:

	2008	2007
Research Capacity	$ 28,400	$ 21,914
Post-Secondary Facilities Infrastructure	16,000	16,000
Community Education	15,600	15,600
Energy Research	15,200	19,200
Life Sciences Research	11,985	14,405
Information and Communication Technology Research	11,458	11,438
Achievement Scholarships	3,100	3,100
Other Program Support – Learning Television	2,300	2,300
	$ 104,043	$ 103,957

NOTE 8
AGRICULTURE AND FOOD

(in thousands)

Transfers to enhance improvement in agriculture, horticulture, and the quality of life in the agricultural community:

	2008	2007
Agricultural Service Boards	$ 10,600	$ 10,600
Agricultural Societies	8,670	8,670
Agricultural Initiatives	2,950	2,950
	$ 22,220	$ 22,220

ALBERTA LOTTERY FUND

Notes to the Financial Statements

NOTE 9
CHILDREN'S SERVICES

(in thousands)

Transfers to support the family and community in Alberta:

	2008	2007
Family and Community Support Services	$ 45,000	$ 45,000
Prevention of Family Violence and Bullying	6,500	4,500
Fetal Alcohol Spectrum Disorder Initiatives	4,000	–
	$ 55,500	$ 49,500

NOTE 10
EDUCATION

(in thousands)

Transfers to support primary education:

	2008	2007
Public and Separate School Support	$ 60,800	$ 60,800
School Facilities Infrastructure	60,300	58,000
Basic Education Program Initiative – High Speed Network	8,000	8,000
Basic Education Program Initiative – Learning Television	–	2,300
	$ 129,100	$ 129,100

NOTE 11
EMPLOYMENT, IMMIGRATION AND INDUSTRY

(in thousands)

Transfers to assist in job creation and to support the disabled, summer students, and immigrants in their search for employment:

	2008	2007
Summer Temporary Employment Program	$ 8,195	$ 8,195
Settlement Services and Enhanced Language Training	4,574	4,574
	$ 12,769	$ 12,769

Notes to the Financial Statements

NOTE 12
ENVIRONMENT

(in thousands)

Transfers to support environmental awareness:

	2008	2007
Educational Awareness	$ 500	$ 500

NOTE 13
HEALTH AND WELLNESS

(in thousands)

Transfers made in support of health and wellness initiatives, including to the Alberta Alcohol and Drug Abuse Commission:

	2008	2007
Human Tissue and Blood Services	$ 115,000	$ 110,000
Base Operating Funds for Alberta Alcohol and Drug Abuse Commission	84,497	82,803
Health Facilities Infrastructure	50,000	150,000
Community-based Health Services	30,000	20,000
	$ 279,497	$ 362,803

ALBERTA
LOTTERY FUND

Notes to the Financial Statements

NOTE 14
INFRASTRUCTURE AND TRANSPORTATION

(in thousands)

Transfers to enhance transportation and water infrastructure:

	2008	2007
Provincial Highway Rehabilitation	$ 55,000	$ 55,000
Rural Transportation Partnerships	40,000	40,000
Alberta Cities Transportation Partnerships	30,000	25,000
Streets Improvement Program	25,000	25,000
Water for Life	25,000	25,000
Infrastructure Canada-Alberta Program	–	5,000
	$ 175,000	$ 175,000

NOTE 15
INTERNATIONAL, INTERGOVERNMENTAL AND ABORIGINAL RELATIONS

(in thousands)

Transfers to support for aboriginal initiatives:

	2008	2007
Aboriginal Initiatives	$ 200	$ –

ALBERTA LOTTERY FUND

Notes to the Financial Statements

NOTE 16
MUNICIPAL AFFAIRS AND HOUSING

(in thousands)

Transfers to enhance support for municipal initiatives:

	2008	2007
Unconditional Municipal Grants	$ 14,000	$ 14,000
Municipal Sponsorship	12,000	12,000
	$ 26,000	$ 26,000

NOTE 17
SOLICITOR GENERAL AND PUBLIC SECURITY

(in thousands)

Transfers made to support gaming research:

	2008	2007
Gaming Research	$ 1,600	$ 1,600

Notes to the Financial Statements

NOTE 18
TOURISM, PARKS, RECREATION AND CULTURE

(in thousands)

Transfers to support culture, multiculturalism, sports, recreation, municipal and community initiatives, and the volunteer sector:

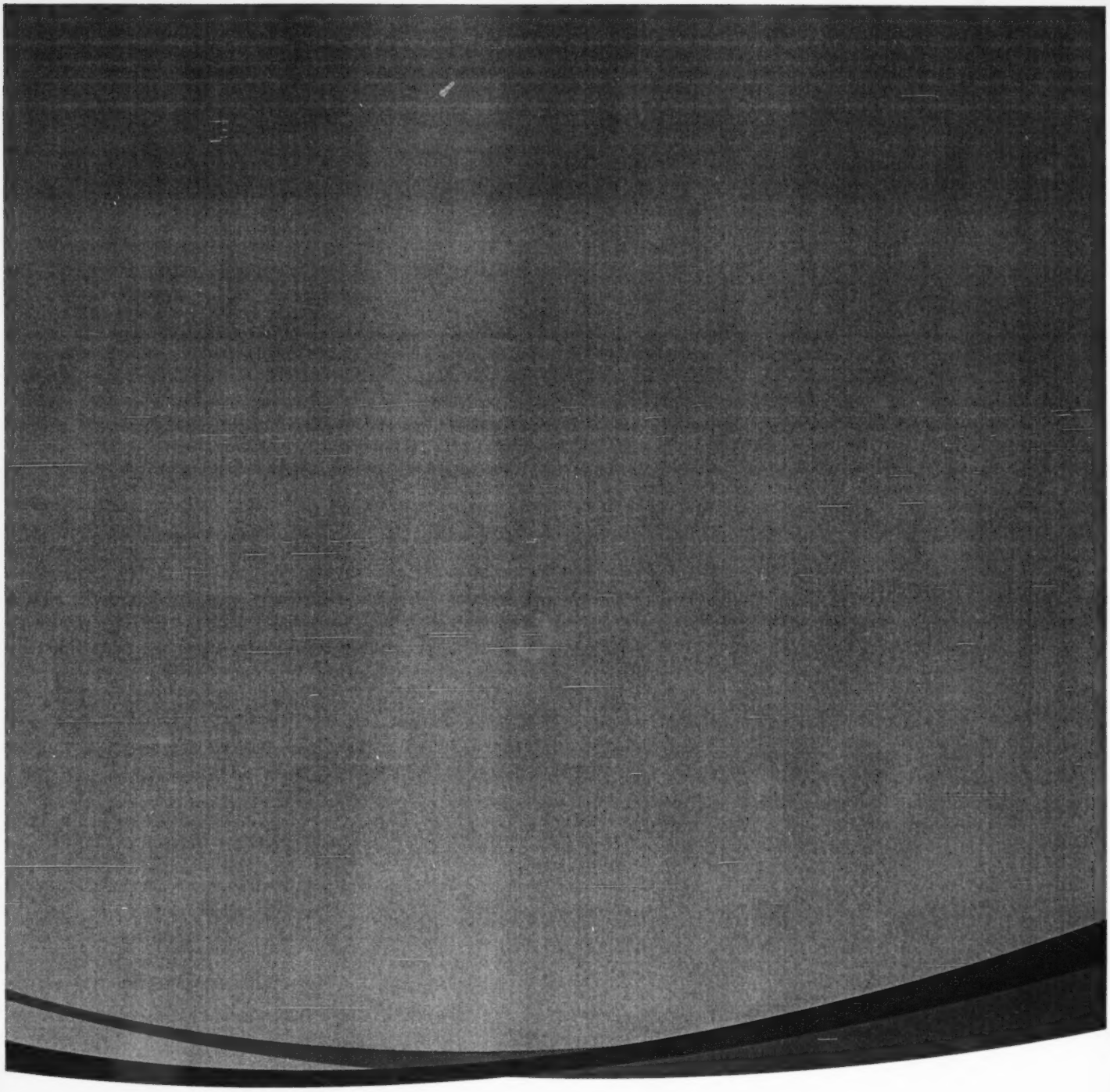
	2008	2007
Major Community Facilities Program	$ 140,000	$ –
Recreation and Sports Facilities Grants	90,000	–
First Nations Development Fund	55,921	14,220
Major Fairs and Exhibitions	53,360	23,360
Community Facility Enhancement Program	38,500	38,500
Horse Racing and Breeding Renewal Program	35,709	41,767
Community Initiatives Program	30,000	30,000
Assistance to the Alberta Foundation for the Arts	26,634	22,084
Assistance to the Alberta Sport, Recreation, Parks and Wildlife Foundation	23,470	20,470
Alberta Film Development Program	18,285	14,850
Other Initiatives	11,088	11,088
Bingo Associations	6,426	5,718
Assistance to the Alberta Historical Resources Foundation	8,587	7,787
Assistance to the Wild Rose Foundation	8,516	8,116
Assistance to the Human Rights, Citizenship and Multiculturalism Education Fund	1,865	1,465
Hosting Major Athletic Events	500	500
Alberta 2005 Centennial Initiative	–	35,000
	$ 548,861	$ 274,925

NOTE 19
BUDGET

The 2008 budgeted expenditures were authorized in total by the *Appropriation Act*, 2007 on June 19, 2007.

NOTE 20
COMPARATIVE FIGURES

Certain 2007 figures have been reclassified to conform to the 2008 presentation.



Victims of Crime Fund Financial Statements

Auditor's Report

AUDITOR GENERAL *Alberta*

To the Solicitor General and Minister of Public Security

I have audited the statement of financial position of the Victims of Crime Fund as at March 31, 2008, and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Fund's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Fund as at March 31, 2008, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Original signed by Fred J. Dunn, FCA

Auditor General

Edmonton, Alberta
May 16, 2008

The official version of this Report of the Auditor General, and the information the Report covers, is in printed form.

Statement of Operations

Year Ended March 31, 2008
(in thousands)

	2008		2007
	Budget (Schedule 1)	Actual	Actual
Revenues			
Investment Income			
Bank Interest	$ 500	$ 1,282	$ 1,001
Other Revenue			
Federal Surcharge	750	1,075	1,100
Provincial Fine Surcharge	19,900	22,570	19,793
Expenditure Refunds	–	114	36
	21,150	25,041	21,930
Expenses – Directly Incurred (Note 2b and 11)			
Program Costs			
Financial Benefits	10,352	10,643	11,458
Victims Programs	6,608	7,064	5,465
Criminal Injuries Review Board	371	402	377
Administration	577	612	616
	17,908	18,721	17,916
Valuation Adjustments			
Provision for Doubtful Accounts	100	(39)	(64)
Provision for Vacation Pay	–	(40)	33
	100	(79)	(31)
	18,008	18,642	17,885
Net Operating Results	$ 3,142	$ 6,399	$ 4,045

The accompanying notes and schedules are part of these financial statements.

Statement of Financial Position

As at March 31, 2008
(in thousands)

	2008	2007
Assets		
Cash (Note 3)	$ 32,787	$ 24,721
Accounts Receivable (Note 4)	17,652	16,550
Tangible Capital Assets (Note 5)	300	437
	$ 50,739	$ 41,708
Liabilities		
Accounts Payable and Accrued Liabilities	$ 6,037	$ 3,405
Net Assets (Note 2b)		
Net Assets at Beginning of Year	38,303	34,258
Net Operating Results	6,399	4,045
Net Assets at End of Year	44,702	38,303
	$ 50,739	$ 41,708

The accompanying notes and schedules are part of these financial statements.

Statement of Cash Flows

Year Ended March 31, 2008
(in thousands)

	2008	2007
Operating Transactions		
Net Operating Results	$ 6,399	$ 4,045
Amortization	137	83
Valuation Adjustments	(79)	(31)
Decrease (Increase) in Accounts Receivable	(1,063)	(1,144)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	2,672	846
Cash Provided by Operating Transactions	8,066	3,799
Capital Transactions		
Acquisition of Tangible Capital Assets	–	(50)
Cash Applied to Capital Transactions	–	(50)
Increase in Cash	8,066	3,749
Cash, Beginning of Year	24,721	20,972
Cash, End of Year	$ 32,787	$ 24,721

The accompanying notes and schedules are part of these financial statements.

Notes to the Financial Statements

NOTE 1
AUTHORITY AND PURPOSE

The Victims of Crime Fund (the Fund), a regulated fund held and administered by the Minister of Finance, operates under the authority of the *Victims of Crime Act*, Chapter V-3, Revised Statutes of Alberta 2000. The Solicitor General and Minister of Public Security is responsible for the Fund under the authority of the *Government Organization Act*, Statutes of Alberta.

The purpose of the Fund is to provide grants to victims' programs and to pay benefits to victims, or their dependants, who suffer injury or death as the result of a criminal offence specified in the regulations of the *Victims of Crime Act*, using provincial and federal fine surcharge revenues.

NOTE 2
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

(a) Reporting Entity

The reporting entity is the Victims of Crime Fund, which is part of the Ministry of the Solicitor General and Public Security and for which the Solicitor General and Minister of Public Security is accountable.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual method of accounting.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Fund has primary responsibility and accountability for. Expenses represent the costs of the victims program, the costs of the financial benefits program and administration costs. Grants are recorded as expenses when approved by the Ministry of the Solicitor General and Public Security and all terms and conditions of eligibility for payment have been met. Financial benefits are recorded as an expense when the obligation to pay is likely and the amount payable on applications submitted can be reasonably estimated.

In addition to program operating expenses like salaries, supplies, etc., directly incurred expenses include:

- pension costs, which comprise the cost of employer contributions for current service of employees during the year; and
- valuation adjustments, which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value.

Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.

Grants are recognized as expenses when authorized, the eligibility criteria, if any, is met, and when a reasonable estimate of the amounts can be made.

Incurred by Others

Services incurred by other entities in support of the Fund's operations are disclosed in Schedule 3.

Assets

Financial assets of the Fund are limited to cash and accounts receivable.

Tangible capital assets of the Fund are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new system development is $100,000 and the threshold for all other tangible capital assets is $5,000.

Notes to the Financial Statements

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Net Assets

Net assets represent the difference between the carrying value of assets held by the Fund and its liabilities.

Measurement Uncertainty (in thousands)

Measurement uncertainty exists when there is a significant variance between the amount recognized in the financial statements and another reasonably possible amount. Accounts receivable, recorded as $17,652 (2007 – $16,550) in these financial statements, is subject to measurement uncertainty. Victims of Crime Fund accounts receivable excludes certain outstanding federal statute surcharges and provincial statute fine surcharges that are expected to be satisfied by means other than cash payment. The other means include participation in the fine option program or time served in a correctional institution at the option of the person owing the surcharge. Outstanding surcharges expected to be satisfied by other means of $1,049 (2007 – $800) have been deducted from total outstanding surcharges of $17,704 (2007 – $16,504) to arrive at reported revenue and related accounts receivable. The estimate of $1,049 is based on the actual percentage satisfied in this matter from April 1, 2007 to March 31, 2008. Changes in the proportion of surcharges satisfied by other means may have a material effect on future operating results.

Financial benefits under the Victims of Crime Fund recorded as a liability of $4,520 (2007 – $2,532) in these financial statements, is subject to measurement uncertainty. See Note 8.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash, accounts receivable, accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

NOTE 3
CASH

(in thousands)

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is being managed with the objective of providing competitive interest income to depositors while maintaining maximum security and liquidity of depositors' capital. The portfolio comprises high-quality short-term and mid-term fixed income securities with a maximum term to maturity of three years. The Fund earns interest on its daily cash balance at the average rate of earnings of the CCITF, which may vary depending on prevailing market interest rates. As at March 31, 2008, securities held by the CCITF have an average effective market yield of 4.81per cent per annum (March 31, 2007: 4.36 per cent per annum).

Notes to the Financial Statements

NOTE 4
ACCOUNTS RECEIVABLE

(in thousands)

	2008			2007
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Surcharge				
Provincial	$ 16,603	$ 513	$ 16,090	$ 14,932
Federal	1,875	313	1,562	1,612
Current Expenditure Refund	–	–	–	6
Accounts Receivable	$ 18,478	$ 826	$ 17,652	$ 16,550

Accounts receivable are unsecured and non-interest bearing.

Notes to the Financial Statements

NOTE 5
TANGIBLE CAPITAL ASSETS

(in thousands)

	Equipment	Computer Hardware and Software	Other	2008 Total	2007 Total
Estimated Useful Life	10 years	5 years	3 years		
Historical Cost					
Beginning of year	$ –	$ 686	$ –	$ 686	$ 636
Additions	–	–	–	–	50
Disposals, including write-downs	–	–	–	–	–
	$ –	$ 686	$ –	$ 686	$ 686
Accumulated Amortization					
Beginning of year	$ –	$ 249	$ –	$ 249	$ 166
Amortization expense	–	137	–	137	83
Effect of disposals	–	–	–	–	–
	$ –	$ 386	$ –	$ 386	$ 249
Net Book Value at March 31, 2008	$ –	$ 300	$ –	$ 300	
Net Book Value at March 31, 2007	$ –	$ 437	$ –		$ 437

Notes to the Financial Statements

NOTE 6
CONTRACTUAL OBLIGATIONS

(in thousands)

Proclamation of the *Victims of Crime Act* in 1997 repealed the *Criminal Injuries Compensation Act*, dissolving the Crimes Compensation Board. The director under the *Victims of Crime Act* assumed the administrative responsibility and the Fund assumed financial responsibility for future obligations associated with the former board's compensation claims. A number of these claims involve a monthly payment for continuing loss of support or income and/or cost of care. These payments are subject to periodic review to confirm continued eligibility for entitlements and/or adjustment to the monthly amount. Recipients are also expected to advise the Fund of any significant change in circumstance or status between review dates.

In March 2008, 35 eligible recipients received a monthly payment (37 eligible recipients in March 2007). The estimated amount of all payments to eligible recipients for future years is as follows:

Year	(in thousands)
2009	$ 578
2010	524
2011	524
2012	524
2013	524
2014 and beyond	12,453
Total	$ 15,127

These eligible recipients will continue to be paid in future years if it is determined during the annual review that they continue to meet the eligibility criteria and the payments are approved by the director.

NOTE 7
CONTINGENCIES

(in thousands)

As at March 31 2008, the Fund is a defendant in two legal claims (2007 – one legal claim) with specified amounts totalling $22,500 (2007 – $11,100). One claim amounting to $11,400 is covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

NOTE 8
VICTIMS PROGRAMS

(in thousands)

The Fund has entered into longer term funding arrangements with organizations for delivery of victim services to communities. These arrangements, subject to satisfaction of reporting and service delivery requirements, are $2,385 in 2008-09, $1,184 in 2009-10, and $189 in 2010-11.

NOTE 9
FINANCIAL BENEFITS

(in thousands)

As at March 31, 2008, there were 1,351 (2007 – 835) active applications for financial benefits with the Victims of Crime Financial Benefits Program.

An estimated liability of $4,520 (2007 – $2,532), subject to measurement uncertainty, was recorded based on historical decision patterns and average award values. Additional information may be required to determine eligibility and amount for individual cases under regulations of the *Victims of Crime Act*.

Notes to the Financial Statements

NOTE 10
DEFINED BENEFIT PLANS

(in thousands)

The Fund participates in the multi-employer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Fund also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $158 for the year ended March 31, 2008 (2007 – $132).

At December 31, 2007, the Management Employees Pension Plan reported a deficiency of $84,341 (2006 – $6,765) and the Public Service Pension Plan reported a deficiency of $92,070 (2006 – surplus of $153,024). At December 31, 2007, the Supplementary Retirement Plan for Public Service Managers had a surplus of $1,510 (2006 – $3,698).

The Fund also participates in two multi-employer Long-Term Disability Income Continuance Plans. At March 31, 2008, the Bargaining Unit Plan reported an actuarial deficiency of $6,319 (2007 – actuarial surplus of $153) and the Management, Opted Out and Excluded Plan, an actuarial surplus of $7,874 (2007 – $10,148). The expense for these two plans is limited to employer's annual contributions for the year.

NOTE 11
EXPENSES – DIRECTLY INCURRED DETAILED BY OBJECT

(in thousands)

	2008		2007
	Budget	Actual	Actual
Salaries, Wages and Employee Benefits	$ 2,123	$ 2,233	$ 1,863
Supplies and Services	1,869	917	1,081
Grants	13,830	15,434	14,889
Amortization of Tangible Capital Assets	86	137	83
Total Fund Expenses	$ 17,908	$ 18,721	$ 17,916

NOTE 12
SALARY AND BENEFITS DISCLOSURE

Salary and benefits disclosure pursuant to *Treasury Board Directive 12/98* as amended is not included as management decisions on the Fund are made by Senior Officials of the Department of the Solicitor General and Public Security.

NOTE 13
APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Senior Financial Officer and the Deputy Solicitor General and Deputy Minister of Public Security.

Schedule to the Financial Statements

SCHEDULE 1
COMPARISON OF EXPENSES DIRECTLY INCURRED, EQUIPMENT/INVENTORY PURCHASES AND STATUTORY EXPENSES BY ELEMENT TO AUTHORIZED BUDGET

Year Ended March 31, 2008
(in thousands)

Program	2007 - 2008 Budget	Treasury Board Authorized (a)	2007 - 2008 Authorized Budget	2007 - 2008 Actual Expense (b)	Unexpended (Over Expended)
Expenses					
1 Financial Benefits	$ 10,352	$ 2,329	$ 12,681	$ 10,643	$ 2,038
2 Victims Programs	6,608	778	7,386	7,064	322
3 Criminal Injuries Review Board	371	–	371	402	(31)
4 Administration	577	–	577	612	(35)
	$ 17,908	$ 3,107	$ 21,015	$ 18,721	$ 2,294
Operating Expense	$ 17,908	$ 3,107	$ 21,015	$ 18,721	$ 2,294
Capital Investment	25	–	25	–	25
	$ 17,933	$ 3,107	$ 21,040	$ 18,721	$ 2,319
Statutory Expenses					
Valuation Adjustments	$ 100	$ –	$ 100	$ (79)	$ 179
	$ 100	$ –	$ 100	$ (79)	$ 179

(a) Supplementary Estimates were approved on January 16, 2008.
(b) Includes achievement bonus amounting to $37.

Schedule to the Financial Statements

SCHEDULE 2
RELATED PARTY TRANSACTIONS

Year Ended March 31, 2008
(in thousands)

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management of the Fund.

The Fund and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Fund had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

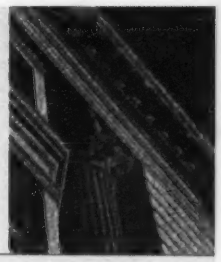
	Other Entities	
	2008	2007
Expenses – Directly Incurred		
Service Alberta	$ –	$ 8
	$ –	$ 8

The Fund also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed in Schedule 3.

	Other Entities	
	2008	2007
Expenses – Incurred by Others		
Accommodation	$ 132	$ 65
Legal	27	–
	$ 159	$ 65

The Fund receives services under contracts managed by the Ministry of Service Alberta. Any commitments under these contracts are reported by Service Alberta.

Schedule to the Financial Statements

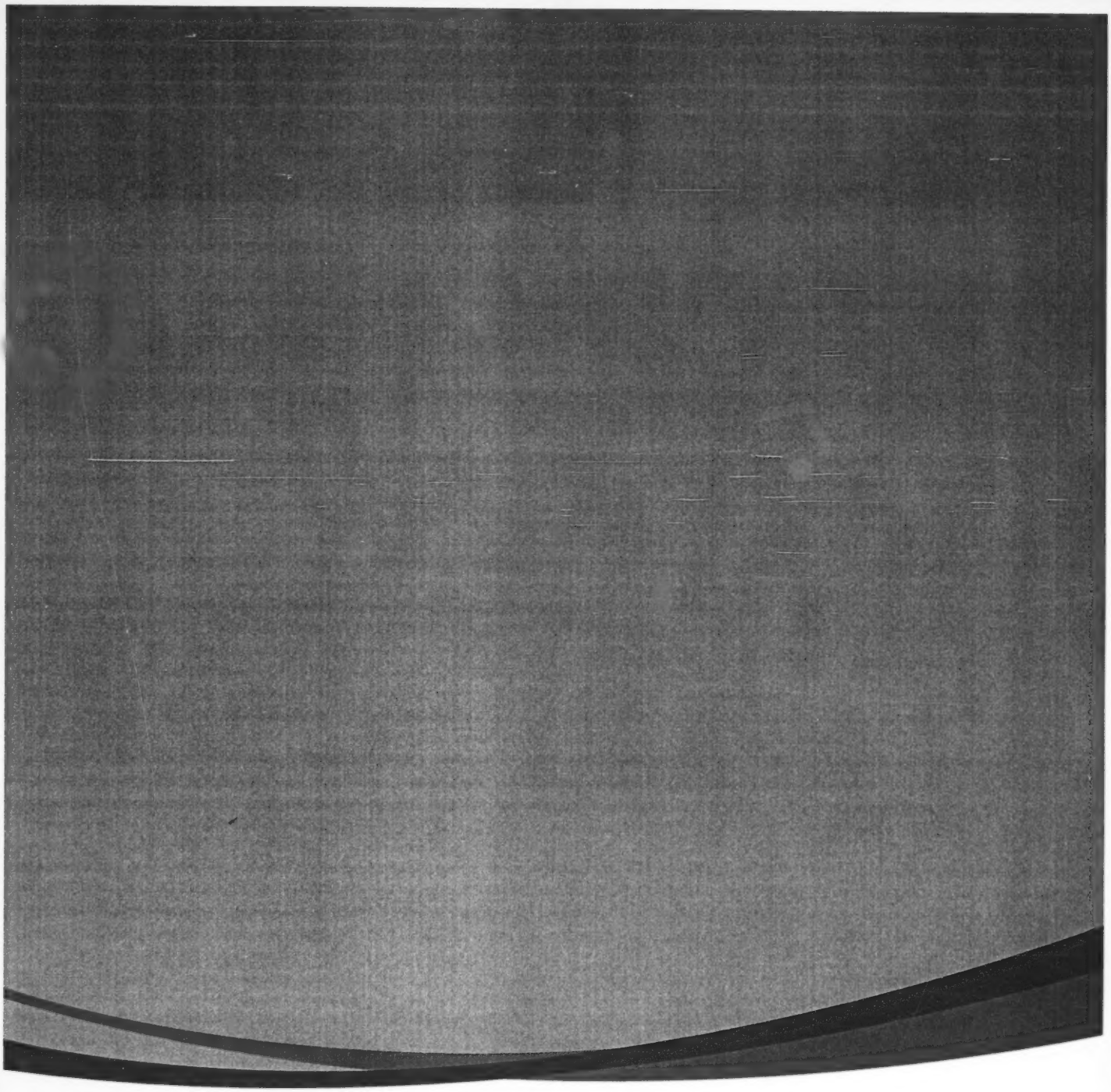


SCHEDULE 3
ALLOCATED COSTS

Year Ended March 31, 2008
(in thousands)

	2008						2007
		Expenses – Incurred by Others		Valuation Adjustments (4)			
Program	Expenses (1)	Accommodation Costs (2)	Legal Services (3)	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses
Regulated Fund:							
Financial Benefits	$ 10,643	$ 56	$ –	$ 14	$ (22)	$ 10,691	$ 11,471
Victims Programs	7,064	61	–	(46)	(15)	7,064	5,490
Criminal Injuries Review Board	402	–	–	–	(1)	401	376
Administration	612	15	27	(8)	(1)	645	613
	$ 18,721	$ 132	$ 27	$ (40)	$ (39)	$ 18,801	$ 17,950

(1) Expenses – Directly Incurred as per Statement of Operations, excluding valuation adjustments.
(2) Costs for Accommodation (includes grants in lieu of taxes) on Schedule 2, allocated by manpower.
(3) Cost shown for Legal Services on Schedule 2, estimated costs incurred by each program.
(4) Valuation Adjustments as per Statement of Operations. Employee Benefits and Doubtful Accounts were allocated as follows:
- Vacation Pay – allocated to the program by employee.
- Doubtful Accounts Provision – estimated allocation to program.



Alphabetical List of Government Entities Financial Statements

ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Ministry, Department, Fund or Agency • Ministry Annual Report

Access to the Future Fund • Advanced Education and Technology
Agriculture Financial Services Corporation • Agriculture and Food
Alberta Alcohol and Drug Abuse Commission • Health and Wellness
Alberta Cancer Prevention Legacy Fund • Finance
Alberta Capital Finance Authority • Finance
Alberta Energy and Utilities Board[1] • Energy
Alberta Foundation for the Arts • Tourism, Parks, Recreation and Culture
Alberta Gaming and Liquor Commission • Solicitor General and Public Security
Alberta Heritage Foundation for Medical Research Endowment Fund • Finance
Alberta Heritage Savings Trust Fund • Finance
Alberta Heritage Scholarship Fund • Finance
Alberta Heritage Science and Engineering Research Endowment Fund • Finance
Alberta Historical Resources Foundation • Tourism, Parks, Recreation and Culture
Alberta Insurance Council • Finance
Alberta Investment Management Corporation[2] • Finance
Alberta Local Authorities Pension Plan Corporation • Finance
Alberta Pensions Administration Corporation • Finance
Alberta Petroleum Marketing Commission • Energy
Alberta Research Council Inc. • Advanced Education and Technology
Alberta Risk Management Fund • Finance
Alberta School Foundation Fund • Education
Alberta Securities Commission • Finance
Alberta Social Housing Corporation • Municipal Affairs and Housing
Alberta Sport, Recreation, Parks and Wildlife Foundation • Tourism, Parks, Recreation and Culture
Alberta Treasury Branches • Finance
Alberta Utilities Commission[1] • Energy
ATB Insurance Advisors Inc. • Finance
ATB Investment Management Inc. • Finance
ATB Investment Services Inc. • Finance
ATB Securities Inc. • Finance

1 Effective January 1, 2008, the Alberta Energy and Utilities Board was realigned into two separate regulatory bodies: the Alberta Utilities Commission and the Energy Resources Conservation Board.
2 Began operations January 1, 2008

Ministry, Department, Fund or Agency	Ministry Annual Report
Child and Family Services Authorities	Children's Services
Calgary and Area Child and Family Services Authority	
Central Alberta Child and Family Services Authority	
East Central Alberta Child and Family Services Authority	
Edmonton and Area Child and Family Services Authority	
North Central Alberta Child and Family Services Authority	
Northeast Alberta Child and Family Services Authority	
Northwest Alberta Child and Family Services Authority	
Southeast Alberta Child and Family Services Authority	
Southwest Alberta Child and Family Services Authority	
Metis Settlements Child and Family Services Authority	
C-FER Technologies (1999) Inc.	Advanced Education and Technology
Climate Change and Emissions Management Fund[3]	Environment
Credit Union Deposit Guarantee Corporation	Finance
Colleges	Advanced Education and Technology
Alberta College of Art and Design	
Bow Valley College	
Grande Prairie Regional College	
Grant MacEwan College	
Keyano College	
Lakeland College	
Lethbridge Community College	
Medicine Hat College	
Mount Royal College	
NorQuest College	
Northern Lakes College	
Olds College	
Portage College	
Red Deer College	
Department of Advanced Education and Technology	Advanced Education and Technology
Department of Agriculture and Food	Agriculture and Food
Department of Children's Services	Children's Services
Department of Education	Education

3 Began operations July 1, 2007.

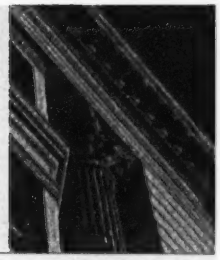
Ministry, Department, Fund or Agency • Ministry Annual Report

Department of Energy • Energy
Department of Finance • Finance
Department of Environment • Environment
Department of Health and Wellness • Health and Wellness
Department of Municipal Affairs and Housing • Municipal Affairs and Housing
Department of Seniors and Community Supports • Seniors and Community Supports
Department of Solicitor General and Public Security • Solicitor General and Public Security
Department of Sustainable Resource Development • Sustainable Resource Development
Department of Tourism, Parks, Recreation and Culture • Tourism, Parks, Recreation and Culture
Energy Resources Conservation Board[1] • Energy
Environmental Protection and Enhancement Fund • Sustainable Resource Development
Gainers Inc. • Finance
Government House Foundation • Tourism, Parks, Recreation and Culture
Historic Resources Fund • Tourism, Parks, Recreation and Culture
Human Rights, Citizenship and Multiculturalism Education Fund • Tourism, Parks, Recreation and Culture
iCORE Inc. • Advanced Education and Technology
Lottery Fund • Solicitor General and Public Security
Ministry of Advanced Education and Technology • Advanced Education and Technology
Ministry of Agriculture and Food • Agriculture and Food
Ministry of Children's Service • Children's Services
Ministry of Education • Education
Ministry of Employment, Immigration and Industry[4] • Employment, Immigration and Industry
Ministry of Energy • Energy
Ministry of Environment • Environment
Ministry of Executive Council[4] • Executive Council
Ministry of Finance • Finance
Ministry of Health and Wellness • Health and Wellness
Ministry of Infrastructure and Transportation[4] • Infrastructure and Transportation
Ministry of International, Intergovernmental and Aboriginal Relations[4] • International, Intergovernmental and Aboriginal Relations
Ministry of Justice[4] • Justice
Ministry of Municipal Affairs and Housing • Municipal Affairs and Housing
Ministry of Seniors and Community Supports • Seniors and Community Supports
Ministry of Service Alberta[4] • Service Alberta
Ministry of Solicitor General and Public Security • Solicitor General and Public Security
Ministry of Sustainable Resource Development • Sustainable Resource Development

1 Effective January 1, 2008, the Alberta Energy and Utilities Board was realigned into two separate regulatory bodies: the Alberta Utilities Commission and the Energy Resources Conservation Board.
4 Ministry includes only the departments so separate departmental financial statements are not necessary.

Ministry, Department, Fund or Agency	Ministry Annual Report
Ministry of Tourism, Parks, Recreation and Culture	Tourism, Parks, Recreation and Culture
Ministry of the Treasury Board[4]	Treasury Board
N.A. Properties (1994) Ltd.	Finance
Natural Resources Conservation Board	Sustainable Resource Development
Persons with Developmental Disabilities Community Boards	Seniors and Community Supports
Calgary Region Community Board	
Central Region Community Board	
Edmonton Region Community Board	
Northeast Region Community Board	
Northwest Region Community Board	
South Region Community Board	
Persons with Developmental Disabilities Provincial Board[5]	Seniors and Community Supports
Provincial Judges and Masters in Chambers Reserve Fund	Finance
Regional Health Authorities and Provincial Health Boards	Health and Wellness
Alberta Cancer Board	
Alberta Mental Health Board	
Aspen Regional Health Authority	
Calgary Health Region	
Capital Health	
Chinook Regional Health Authority	
David Thompson Regional Health Authority	
East Central Health	
Health Quality Council of Alberta	
Northern Lights Health Region	
Peace Country Health	
Palliser Health Region	
Safety Codes Council	Municipal Affairs and Housing
School Boards and Charter Schools	Education
Almadina School Society	
Aspen View Regional Division No. 19	
Aurora School Ltd.	
Battle River Regional Division No. 31	
Black Gold Regional Division No. 18	
Boyle Street Education Centre	
Buffalo Trail Public Schools Regional Division No. 28	
Calgary Arts Academy Society	
Calgary Girls' School Society	

4 Ministry includes only the departments so separate departmental financial statements are not necessary.
5 Ceased operations June 30, 2006.



Ministry, Department, Fund or Agency • Ministry Annual Report

School Boards and Charter Schools • Education (continued)
- Calgary Roman Catholic Separate School District No. 1
- Calgary School District No. 19
- Calgary Science School Society
- Canadian Rockies Regional Division No. 12
- CAPE-Centre for Academic and Personal Excellence Institute
- Chinook's Edge School Division No. 73
- Christ the Redeemer Catholic Separate Regional Division No. 3
- Clearview School Division No. 71
- East Central Alberta Catholic Separate Schools Regional Division No. 16
- East Central Francophone Education Region No. 3
- Edmonton Catholic Separate School District No. 7
- Edmonton School District No. 7
- Elk Island Catholic Separate Regional Division No. 41
- Elk Island Public Schools Regional Division No. 14
- Evergreen Catholic Separate Regional Division No. 2
- FFCA Charter School Society
- Foothills School Division No. 38
- Fort McMurray Roman Catholic Separate School District No. 32
- Fort McMurray School District No. 2833
- Fort Vermilion School Division No. 52
- Golden Hills School Division No. 75
- Grande Prairie Public School District No. 2357
- Grande Prairie Roman Catholic Separate School District No. 28
- Grande Yellowhead Regional Division No. 35
- Grasslands Regional Division No. 6
- Greater North Central Francophone Education Region No. 2
- Greater Southern Public Francophone Education Region No. 4
- Greater Southern Separate Catholic Francophone Education Region No. 4
- Greater St. Albert Catholic Regional Division No. 29
- High Prairie School Division No. 48
- Holy Family Catholic Regional Division No. 37
- Holy Spirit Roman Catholic Separate Regional Division No. 4
- Horizon School Division No. 67
- Lakeland Roman Catholic Separate School District No. 150
- Lethbridge School District No. 51
- Living Waters Catholic Regional Division No. 42
- Livingstone Range School Division No. 68
- Medicine Hat Catholic Separate Regional Division No. 20
- Medicine Hat School District No. 76

Ministry, Department, Fund or Agency • Ministry Annual Report

School Boards and Charter Schools • Education (continued)
- Moberly Hall School Society
- Mother Earth's Children's Charter School Society
- New Horizons Charter School Society
- Northern Gateway Regional Division No. 10
- Northern Lights School Division No. 69
- Northland School Division No. 61
- Northwest Francophone Education Region No. 1
- Palliser Regional Division No. 26
- Parkland School Division No. 70
- Peace River School Division No. 10
- Peace Wapiti School Division No. 76
- Pembina Hills Regional Division No. 7
- Prairie Land Regional Division No. 25
- Prairie Rose School Division No. 8
- Red Deer Catholic Regional Division No. 39
- Red Deer School District No. 104
- Rocky View School Division No. 41
- St. Albert Protestant Separate School District No. 6
- St. Paul Education Regional Division No. 1
- St. Thomas Aquinas Roman Catholic Separate Regional Division No. 38
- Sturgeon School Division No. 24
- Suzuki Charter School Society
- Westmount Charter School Society
- Westwind School Division No. 74
- Wetaskiwin Regional Division No. 11
- Wild Rose School Division No. 66
- Wolf Creek School Division No. 72

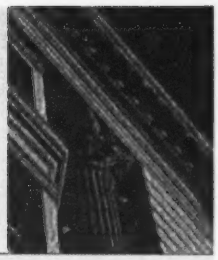
Supplementary Retirement Plan Reserve Fund • Finance

Technical Institutes and The Banff Centre • Advanced Education and Technology
- Northern Alberta Institute of Technology
- Southern Alberta Institute of Technology
- The Banff Centre for Continuing Education

Universities • Advanced Education and Technology
- Athabasca University
- The University of Alberta
- The University of Calgary
- The University of Lethbridge

Victims of Crime Fund • Solicitor General and Public Security

Wild Rose Foundation • Tourism, Parks, Recreation and Culture



ENTITIES NOT INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Ministry, Department, Fund or Agency · Ministry Annual Report

Alberta Foundation for Health Research • Advanced Education and Technology
Alberta Heritage Foundation for Medical Research • Advanced Education and Technology
Alberta Heritage Foundation for Science and Engineering Research • Advanced Education and Technology
Alberta Teachers' Retirement Fund Board • Education
Improvement Districts' Trust Account • Municipal Affairs and Housing
Local Authorities Pension Plan • Finance
Long-Term Disability Income Continuance Plan – Bargaining Unit • Service Alberta
Long-Term Disability Income Continuance Plan – Management, Opted Out and Excluded • Service Alberta
Management Employees Pension Plan • Finance
Provincial Judges and Masters in Chambers Pension Plan • Finance
Provincial Judges and Masters in Chambers (Unregistered) Pension Plan • Finance
Public Service Management (Closed Membership) Pension Plan • Finance
Public Service Pension Plan • Finance
Special Areas Trust Account • Municipal Affairs and Housing
Special Forces Pension Plan • Finance
Supplementary Retirement Plan for Public Service Managers • Finance
Workers' Compensation Board • Employment, Immigration and Industry

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